

Form ADV

Part 2A

Coulter & Justus Financial Services, LLC

March 30, 2011

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This brochure ("Brochure") provides information about the qualifications and business practices of Coulter & Justus Financial Services, LLC ("CJFS"). You should review this Brochure in conjunction with our separate brochure supplement ("Supplement"). The Supplement(s) has been prepared for the purpose of providing information about the qualifications and background of the supervised person(s) working with you on our behalf or who may otherwise participate in the advisory services provided to you.

If you have any questions about the contents of this Brochure or our Supplement(s), please contact us at 865.481.0385 or info@cj-fs.com. Additional information about CJFS or any of our supervised persons (who are registered under our firm) is also available on the SEC's Investment Adviser Public Disclosure ("IAPD") which can be found at www.adviserinfo.sec.gov.

The format/layout of this Brochure has been dictated by the SEC. As such, the Brochure's table of contents can be found after the "Material Changes" section of this Brochure, not at the beginning of the Brochure. The subsections appearing under each heading shall follow the mandated ordering of the items required to be addressed in this Brochure as set forth in the instructions and guidance issued by the SEC in regard to Part 2A of the Form ADV. CJFS's response to each such item shall immediately follow each numbered item. We encourage any reader of this Brochure to also refer to the SEC's instructions and guidance related to Part 2A of the Form ADV. Throughout this Brochure, any references to "we," "our," "ours," "us," etc. are meant to refer to CJFS.

The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

II. Material Changes

Filing date of last annual ADV update: .March 30, 2011

On July 28, 2010, the SEC published Release No. IA-3060, titled, “Amendments to Form ADV” which announced the approval of the new amendments to Form ADV. This Brochure is a new document prepared according to the SEC’s new requirements and rules and as set forth in the ADV and its corresponding instructions. As such, this Brochure is materially different in structure and requires certain new information that our previous client disclosure document (i.e. Part II and Schedule F) did not require. In the future, this Material Changes section will discuss only specific material changes that are made to the Brochure and will provide you with a summary of such changes.

Since the filing of our most recent annual ADV update and aside from that overall formatting/layout change described above, there have been no other material changes between our old Part II and Schedule F and this new Brochure.

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IV. Advisory Business

Item IV.(A). CJFS at a Glance

Firm Profile

Coulter & Justus Financial Services, LLC is an independent, fee-based wealth management firm serving the greater Knoxville and Oak Ridge, TN communities. Our focus is in helping clients achieve their goals through the development and implementation of comprehensive financial plans, combined with a value-based investment discipline that protects and grows client wealth.

As an independent, fee-based wealth management firm, we do not have an incentive to generate commissions, nor do we have an incentive to sell proprietary products and services. Our focus is simply to give you objective, experienced advice that puts your interests first.

Years in Business

Date of formation: November 2004

Date of initial investment adviser registration: January 3, 2005.

Principal Owners

The Form ADV instructions require us to identify all parties that own at least twenty five (25) percent of the equity interests of CJFS. No single party meets this threshold.

IV.(B). CJFS's Advisory Services

In this section, we will describe the services we offer as well as the fees that correspond to those services. A listing of the investment products on which we may provide advice can be found in the grid below.

Product Type Limitations

We generally provide investment advice in relation to the following specific types of securities/investments.

<input checked="" type="checkbox"/>	Exchange listed equities	<input checked="" type="checkbox"/>	Mutual funds (closed-end and open-end funds)
<input checked="" type="checkbox"/>	Over the counter equities	<input checked="" type="checkbox"/>	Real Estate Investment Trusts ("REITs")
<input type="checkbox"/>	Equities of foreign issuers	<input checked="" type="checkbox"/>	Exchange traded funds (ETFs)
<input checked="" type="checkbox"/>	Interests in privately offered securities (hedge funds, venture capital funds, private equity funds, etc.) involving any of the following: <ul style="list-style-type: none">• Real estate• Oil and gas• Mortgages or other receivables/assets• Other: REITs	<input checked="" type="checkbox"/>	U.S. government securities
<input type="checkbox"/>	Warrants	<input type="checkbox"/>	Options on securities
<input checked="" type="checkbox"/>	Corporate debt securities (other than commercial paper)	<input type="checkbox"/>	Options on commodities
<input checked="" type="checkbox"/>	Commercial paper	<input type="checkbox"/>	Options on futures

<input checked="" type="checkbox"/>	Certificates of deposit	<input type="checkbox"/>	Futures contracts (tangibles)
<input checked="" type="checkbox"/>	Municipal securities	<input type="checkbox"/>	Futures contracts (intangibles)
<input checked="" type="checkbox"/>	Variable life insurance	<input type="checkbox"/>	Other:
<input checked="" type="checkbox"/>	Variable annuities	<input type="checkbox"/>	Other:

Our Services

Service:	<i>Ongoing Asset Management</i>																											
Service description:	<p>Our ongoing asset management services can be described as follows:</p> <p><i>Discretionary Management:</i> On a discretionary basis, we may design, revise, and reallocate a custom portfolio for you. Investments are determined based upon factors such as your investment objectives, risk tolerance, net worth, net income, age, time horizon, tax situation and other various suitability factors.</p> <p><i>Non-Discretionary Management:</i> On a non-discretionary basis, we may provide periodic recommendations to you and if such recommendations are approved/authorized, we will ensure that the authorized recommendations are carried out for you.</p>																											
Use of discretion:	<p>Depending on your individual needs and the services you request of us, we may exercise full discretion as to the following elements.</p> <p> <input checked="" type="checkbox"/> Securities to be bought or sold <input checked="" type="checkbox"/> Amount of the securities to be bought or sold <input checked="" type="checkbox"/> Timing as to when such securities are to be bought or sold <input type="checkbox"/> Other: <input type="checkbox"/> None </p>																											
Service fees:	<p>For the service described above, we will charge an annual, asset-based fee. In general, we use the following tiered fee schedule.</p> <p>Standard Tiered Schedule</p> <table border="1"> <thead> <tr> <th colspan="2">For portfolio values between:</th><th>the Annual Rate is:</th></tr> <tr> <th>Base</th><th>Ceiling</th><th></th></tr> </thead> <tbody> <tr> <td>\$0</td><td>\$500,000</td><td>1.00%</td></tr> <tr> <td>\$500,001</td><td>\$1,000,000</td><td>0.80%</td></tr> <tr> <td>\$1,000,001</td><td>\$2,000,000</td><td>0.70%</td></tr> <tr> <td>\$2,000,001</td><td>\$3,000,000</td><td>0.60%</td></tr> <tr> <td>\$3,000,001</td><td>\$4,000,000</td><td>0.50%</td></tr> <tr> <td>\$4,000,001</td><td>\$5,000,000</td><td>0.40%</td></tr> <tr> <td>\$5,000,001</td><td>\$99,000,000</td><td>0.30%</td></tr> </tbody> </table> <p>All fees arrangements are negotiable at our sole discretion. Specific fee arrangements will be set forth in your investment advisory agreement (“Agreement”) with us.</p>	For portfolio values between:		the Annual Rate is:	Base	Ceiling		\$0	\$500,000	1.00%	\$500,001	\$1,000,000	0.80%	\$1,000,001	\$2,000,000	0.70%	\$2,000,001	\$3,000,000	0.60%	\$3,000,001	\$4,000,000	0.50%	\$4,000,001	\$5,000,000	0.40%	\$5,000,001	\$99,000,000	0.30%
For portfolio values between:		the Annual Rate is:																										
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Other fees:	<p>In addition to our service fees, you may be assessed other fees by parties independent from us. You may also incur, relative to certain investment products (such as mutual funds), charges imposed directly at the investment product level (i.e. advisory fees, administrative fees, and other fund expenses.) Brokerage fees/commissions charged to you for securities trade executions may be billed to you by the broker-dealer or custodian of record for your account, not us. Any such fees are exclusive of, and in addition to our compensation. You will be solely and directly responsible for all fees,</p>																											

	<p>including fees other than those we may bill directly to you.</p> <p>Refer to Item V.(E) and Item 12 for additional information regarding other fees such as sales compensation, brokerage fees, custodial fees, etc.</p>
Fee collection:	<p>For the service described above, we receive our service fees via automatic fee deduction by the custodian. Contemporaneously with the execution of the Agreement, you will be asked to sign an authorization that will allow the custodian of any of your account(s) to debit the account(s) the amount of our service fees and remit the fee to us. The authorization will remain valid unless and until we receive a written revocation of such authorization from you. In connection with this fee deduction process, the custodian will send you a statement, at least quarterly, indicating:</p> <ul style="list-style-type: none"> • all amounts disbursed from the account, and • the amount of advisory fees paid directly to us. <p>Specific fee arrangements will be set forth in your Agreement with us.</p>
Fee frequency/timing:	<p>For the service described above, the frequency and timing of our fee collection process occurs as follows: <input checked="" type="checkbox"/> quarterly, <input type="checkbox"/> monthly, <input checked="" type="checkbox"/> in advance, or <input type="checkbox"/> in arrears. Generally, fees will be billed on the 15th of the first month of the quarter for that quarter. For example, Q1 fees will be deducted on January 15. Specific fee arrangements will be set forth in your Agreement with us.</p>
Advanced billing and refunds:	<p>As described above, our advisory fees may be charged in advance. Fees paid in advance will be considered earned and non-refundable to you up to the effective termination of the Agreement as the termination process is described in the Agreement. Upon receipt of a proper notice of termination ("Termination Notice") as described in the Agreement, we will calculate a prorata refund of any fees not yet earned by us after the effective termination date of the Agreement. The prorata refund will equal the total number of calendar days remaining in the billing period after the date of the termination of the Agreement to the end of that billing period divided by the total number of calendar days in that billing period. The result of that calculation will be multiplied by the total fee already paid for that billing period. The result of that calculation will represent the refund owed to you. Refunds of advance payments owed back to you shall be paid as soon as reasonably possible but it may not be sooner than ten (10) business days after our receipt of a proper Termination Notice. Specific fee arrangements will be set forth in your Agreement with us.</p>

Service:	<i>Financial Planning</i>
Service description:	<p>We may prepare a written financial plan for our clients. Our financial planning services may involve consultation, analysis, and recommendations in the six areas of financial planning, which include (1) financial situation; (2) income taxes; (3) insurance; (4) investments; (5) retirement planning; and (6) estate planning.</p> <p>In order to determine a suitable course of action for an individual client, our investment adviser representatives (associated persons) will meet with you to gather all pertinent information and will assist you in determining your financial goals and objectives and the level of financial planning service that may best fit your needs. This review may include, but would not necessarily be limited to, investment objectives, consideration of your overall financial condition, income and tax status, personal and business assets, risk profile, and other factors unique to your particular circumstances.</p>

	<p>We offer financial planning services in the following forms: (1) a comprehensive financial plan; (2) a segmented financial plan; (3) an ongoing financial plan; and (4) individual consultations. Under each of these financial planning options, we will generally issue a written analysis and report of recommendations in accordance with your goals and objectives. Depending on the level of your financial planning needs, our written financial plans may include but would not be limited to the following topical areas:</p> <ul style="list-style-type: none">• Prepare an annual net worth statement;• Create a cash flow statement;• Review current investments and make recommendations thereon;• Review client’s most recent tax returns and provide tax planning advice;• Review client’s life insurance and disability insurance and make recommendations thereon;• Review client’s estate plan and make recommendations thereon;• Complete a retirement analysis; and• Provide education planning advice. <p>Unless engaged separately to do so, we will not be responsible for the implementation of the plan. You assume full responsibility for the implementation of the plan.</p>																	
Use of discretion:	We will not possess or exercise investment discretion with respect to this service offering.																	
Service fees:	<p>For the service described above, we will charge fees in the following manner:</p> <table><tr><th>Service</th><th>Fee Type</th><th>Fee Amount / Range</th></tr><tr><td>Comprehensive financial plan</td><td>One-time fixed/flat</td><td>Varies by client; \$750 minimum fee</td></tr><tr><td>Segmented financial plan</td><td>One-time fixed/flat</td><td>Varies by client; \$750 minimum fee</td></tr><tr><td>Ongoing financial plan</td><td>Annual fixed/flat</td><td>Varies by client; fee generally does not exceed \$7,500</td></tr><tr><td rowspan="2">Individual consultations</td><td>Hourly</td><td>\$175 / hour, in fifteen-minute increments</td></tr><tr><td>One-time fixed/flat</td><td>\$150 - \$500</td></tr></table> <p>All fees are negotiable at our sole discretion. Specific fee arrangements will be set forth in your Agreement with us.</p>	Service	Fee Type	Fee Amount / Range	Comprehensive financial plan	One-time fixed/flat	Varies by client; \$750 minimum fee	Segmented financial plan	One-time fixed/flat	Varies by client; \$750 minimum fee	Ongoing financial plan	Annual fixed/flat	Varies by client; fee generally does not exceed \$7,500	Individual consultations	Hourly	\$175 / hour, in fifteen-minute increments	One-time fixed/flat	\$150 - \$500
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	One-time fixed/flat	\$150 - \$500																
Other fees:	<p>In addition to our service fees, you may be assessed other fees by parties independent from us. You may also incur, relative to certain investment products (such as mutual funds), charges imposed directly at the investment product level (i.e. advisory fees, administrative fees, and other fund expenses.) Brokerage fees/commissions charged to you for securities trade executions may be billed to you by the broker-dealer or custodian of record for your account, not us. Any such fees are exclusive of, and in addition to our compensation. You will be solely and directly responsible for all fees, including fees other than those we may bill directly to you.</p> <p>Refer to Item V.(E) and Item 12 for additional information regarding other fees such as sales compensation, brokerage fees, custodial fees, etc.</p>																	

Fee collection:	For the service described above, we will issue invoices directly to you. You will be invoiced by the fifth business day of the month subsequent to the most recently ended billing period. Payments are due on or by the final business day of the month in which the invoice is generated. Specific fee arrangements will be set forth in your Agreement with us.
Fee frequency/timing:	Depending on your specific engagement for the service described above, the frequency and timing of our fee collection process may occur as follows: <input type="checkbox"/> quarterly, <input checked="" type="checkbox"/> monthly, <input checked="" type="checkbox"/> in advance, <input checked="" type="checkbox"/> in arrears, or <input checked="" type="checkbox"/> a portion in advance and a portion in arrears. Specific fee arrangements will be set forth in your Agreement with us.
Advanced billing and refunds:	As described above, our advisory fees may be charged in advance. Fees paid in advance will be considered earned and non-refundable to you up to the effective termination of the Agreement as the termination process is described in the Agreement. Upon receipt of a proper notice of termination ("Termination Notice") as described in the Agreement, we will calculate a prorata refund of any fees not yet earned by us after the effective termination date of the Agreement. The client may be responsible for the payment of fees based on the time and effort expended by us prior to receipt of the Termination Notice. Fees paid in advance that are in excess of the amount due at the time of termination will be refunded to the client on a prorata basis.

Service:	<i>Individual Consultations</i>
Service description:	<p>We also provide advisory or consulting services not involving the other services already described herein but still pertaining to investments or investment-related matters. As part of these services, we may or may not provide any written documentation or other work product. Such services may include, but would not be limited to, the following:</p> <ul style="list-style-type: none"> • Insurance-related services and planning; • One-time analysis of investment accounts/portfolios; • Telephonic, electronic, or in-person consultations/communications regarding investments or investment-related matters; • Serving as an expert witness in judicial or arbitration proceedings; • Conferring with other professionals or service providers (i.e. accountants, CPAs, attorneys, etc.) regarding investments or investment-related matters on your behalf; and/or • Other service as may be specifically requested. <p>Depending upon the particular service engagement, we may or may not produce any written documentation that supports recommendations or conclusions reached as a result of carrying out these services. If you wish to engage us for some type of service not specifically mentioned or referred to in the services noted above, you may provide us with guidance as to the scope of the engagement. Regardless of the services ultimately requested, the specific services and corresponding fees will be set forth in your Agreement.</p>
Use of discretion:	We will not possess or exercise investment discretion with respect to this service offering.
Service fees:	<p>For the service described above, we may charge fees in the following manner:</p> <p><input checked="" type="checkbox"/> Non-annual, flat/fixed fee. Our non-annual, fixed/flat fee for the services described in this section ranges from \$750 - \$10,000.</p>

	<p><input checked="" type="checkbox"/> Hourly fees. Our hourly fee rate for the services described in this section ranges from \$150 - \$500.</p> <p>All fees are negotiable at our sole discretion. Specific fee arrangements will be set forth in your service Agreement with us.</p>
Other fees:	<p>In addition to our service fees, you may be assessed other fees by parties independent from us. You may also incur, relative to certain investment products (such as mutual funds), charges imposed directly at the investment product level (i.e. advisory fees, administrative fees, and other fund expenses.) Brokerage fees/commissions charged to you for securities trade executions may be billed to you by the broker-dealer or custodian of record for your account, not us. Any such fees are exclusive of, and in addition to our compensation. You will be solely and directly responsible for all fees, including fees other than those we may bill directly to you.</p> <p>Both CFJS and our supervised persons may also receive a portion of the insurance-related commissions you pay in connection with any insurance activities handled by our supervised persons.</p> <p>Refer to Item V.(E) and Item 12 for additional information regarding other fees such as sales compensation, brokerage fees, custodial fees, etc.</p>
Fee collection:	<p>For the service described above, we will issue invoices directly to you. You will be invoiced by the fifth business day of the month subsequent to the most recently ended billing period. Payments are due on or by the final business day of the month in which the invoice is generated. Specific fee arrangements will be set forth in your Agreement with us.</p>
Fee frequency/timing:	<p>Depending on your specific engagement for the service described above, the frequency and timing of our fee collection process may occur as follows: <input type="checkbox"/> quarterly, <input checked="" type="checkbox"/> monthly, <input checked="" type="checkbox"/> in advance, <input checked="" type="checkbox"/> in arrears, or <input checked="" type="checkbox"/> a portion in advance and a portion in arrears. Specific fee arrangements will be set forth in your Agreement with us.</p>
Advanced billing and refunds:	<p>As described above, our advisory fees may be charged in advance. Fees paid in advance will be considered earned and non-refundable to you up to the effective termination of the Agreement as the termination process is described in the Agreement. Upon receipt of a proper notice of termination ("Termination Notice") as described in the Agreement, we will calculate a prorata refund of any fees not yet earned by us after the effective termination date of the Agreement. The client may be responsible for the payment of fees based on the time and effort expended by us prior to receipt of the Termination Notice. Fees paid in advance that are in excess of the amount due at the time of termination will be refunded to the client on a prorata basis.</p>

IV.(C). Customization of Advisory Services

To the fullest extent possible, we will endeavor to tailor our advisory services to meet the specific needs of each and every client. In order to determine a suitable course of action for an individual client, we will perform a review of our clients' financial circumstances. Such review may include, but would not necessarily be limited to, investment objectives, consideration of a client's overall financial condition, income and tax status, personal and business assets, risk profile, and other factors unique to a client's particular circumstances.

In making investment recommendations on behalf of a client, we will rely on a data gathering document or other questionnaire, which would be completed based on information provided by a client.

Our clients are free to impose any restrictions or other conditions with regard to how we provide our advisory services. If we agree to such restrictions and/or conditions, please be advised that restrictions and guidelines imposed by a client may affect the composition and performance of custom portfolios (as a result, performance of custom portfolios within the same investment objective may differ and a client should not expect that the performance of a custom portfolio will be identical to any other individual's portfolio performance) as well as any recommendations provided to the client.

IV.(D). Wrap Fee Program Participation

None of our advisory services involve the use of wrap programs.

IV. (E). Assets Under Management¹ ("AUM")

AUM (discretionary):	\$ 131,500,000
AUM (non-discretionary):	\$ 1,900,000
Total AUM ² :	\$ 133,400,000
Date of AUM calculation:	December 31, 2010.

V. Fees and Compensation

V.(A). CJFS Advisory Fees

Refer above to Item IV.(B).

V.(B). Fee Collection Process

Refer above to Item IV.(B).

V.(C). Other Fee/Expenses.

Refer above to Item IV.(B).

V.(D). Fees Charged in Advance

Refer above to Item IV.(B).

V.(E). Additional Compensation

¹ The term, "assets under management" shall carry the same meaning as that term is defined by Form ADV.

² Rounded to the nearest \$100,000

Item V.(E) requires us to address situations in which we or any of our supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds. Both CFJS and certain individuals who are associated with us, may also receive compensation (i.e. commissions) related to the sale of insurance products. Transaction-based compensation (“Additional Compensation”) such as this is separate and distinct from the other fees we may receive in connection with our investment advisory services as described above in Item IV.(B).

V.(E).(1). Conflicts of Interest

The instructions in the Form ADV require us to tell you that the receipt or potential for the receipt of Additional Compensation gives our supervised persons an incentive to recommend products based on the Additional Compensation received, rather than on your specific needs. Although we are obligated to tell you this, our objective as a firm, which is shared by our supervised persons, is to place nothing before your best interests.

How we address these conflicts. First and foremost, we address the conflicts described above in relation to Additional Compensation by disclosing them to you in this Brochure as well as your representative’s Brochure Supplement. As a matter of general policy, we aggressively discourage activities that put your interests anywhere but first. Additionally, we have instituted a comprehensive supervisory process, detailed in our Written Supervisory Procedures (“WSPs”) that was designed to address, among other things, conflicts of interest such as Additional Compensation. In addition, we have designated a Chief Compliance Officer, as set forth on Schedule A of our Form ADV, to be the party responsible for the overall application and oversight of our supervisory process and our WSPs. Our Chief Compliance Officer has the authority to delegate certain supervisory responsibilities to other supervised persons within our firm in order to ensure that our overall system of supervision is being carried out adequately and in a timely manner.

The potential conflict of interest resulting from the Additional Compensation described above is commonplace in the investment industry and we believe that such arrangements are not only appropriate but that they are proper in light of the added examination, licensing, registration, and other regulatory oversight that also takes place in the investment and insurance industries. Our supervised persons have satisfied various regulatory examination and registration requirements that allow not only for the offering of the types of products and services described in the information related to the Additional Compensation described above but also the receipt of the normal and customary compensation that any similarly registered, licensed, and qualified person could receive in the form of sales compensation for those same products/services.

Bear in mind that even if our supervised persons were not registered/licensed to sell the types of products/services addressed in the preceding section, the majority of your investments or transactions involving such products would still result in you paying some sort of commission for those products. In the case of our supervised persons, their active registration/licensing may allow them to be able to receive such Additional Compensation as opposed to the executing financial institution keeping that compensation exclusively for itself.

Any Additional Compensation received by our supervised persons in connection with the products/services described in the preceding section is deemed routine and customary compensation for such activities and is not believed to be inappropriate.

Procedures for disclosing these conflicts. In an effort to inform you of these conflicts of interest, we have prepared this Brochure and have provided it to you, in part, for the purpose of disclosing these conflicts. You are always welcome to request a current copy of our Brochure. We are obligated to provide you a copy of this Brochure no later than the time you sign our Agreement and on an annual basis, we are required to provide you either (1) a copy of our current Brochure or (2) a set of instructions as to how you can request a copy of our current Brochure.

If we recommend mutual funds to our clients, we may often or occasionally recommend no-load funds.

V.(E).(2). Client-Directed Brokerage

You have the ability to purchase investment products that we recommend through any broker-dealer or other financial institution you choose. If you choose to use a firm other than the broker-dealer(s) we may normally recommend, we may not be able to properly monitor your assets and therefore we cannot be held responsible for the success or failure of any investment products or strategies that you implement at firms other than those we recommend. In other words, our services and responsibilities will not apply to transactions you effect on your own whether through firms you choose on your own or through any broker-dealer we may recommend.

V.(E).(3). Brokerage Compensation

We are not registered as a broker-dealer and thus, we do not receive transaction-based compensation for securities-related activities.

V.(E).(4). Advisory Fee Offset

In the event that we or our supervised persons receive compensation other than our advisory fees as described above in Item IV.(B), we will not adjust our advisory fees to offset those other fees.

VI. Performance-Based Fees and Side-By-Side Management

We do not charge performance-based fees.

VII. Types of Clients

We will generally provide our services to the following types of clients.

- Individuals
- High net worth individuals
- Foundations / charitable organizations
- Trusts/Estates for natural persons

For information on any minimum fees, minimum initial/ongoing account balances, or other conditions we may impose, please refer to Item IV.(B).

VIII. Methods of Analysis, Investment Strategies and Risk of Loss

VIII.(A). Methods of Analysis

In the course of our management process and as appropriate on a case by case basis, we will employ some or all of the following methods of analysis. For a description of the risks related to each particular method of analysis, see the information following each analysis method description. A description of each key risk appears later in this section.

Fundamental

Fundamental analysis involves the attempt to identify the intrinsic value (i.e. the actual, true/real value) of an investment instrument by examining any related economic, financial, and other quantitative/qualitative factors relevant to that instrument. Fundamental analysis can take into account anything that may impact the underlying

value of the instrument. Examples of such things may include large-scale economic issues such as the overall condition or current cycle of the economy, industry-specific or sector-specific conditions, etc. Other company/issuer-specific factors may also be taken into consideration such as the company's/issuer's current financial condition, management experience and capabilities, legal/regulatory matters, the overall type and volume of current and expected business, etc.

One of the goals of fundamental analysis is to attempt to derive a value that can be compared to the current market price for a particular financial instrument in hopes of determining whether the instrument is overpriced (time to sell) or underpriced (time to buy).

Key risk(s): Economic Risk, Financial Risk, Inflation Risk, and Interest Rate Risk.

Investing in securities or other investment products involves the risk of loss and you should be prepared to bear such losses.

VIII.(A). (cont.) Investment Strategies

In the course of our management process and as appropriate on a case by case basis, we will employ any of the following investment strategies. For a description of the risks related to each particular investment strategy, see the information following each strategy description. The codes used below relate to risks described further below in this section.

Long-Term Purchases

Long-term purchases generally involve the acquisition of an investment instrument and holding it for a period of at least one year.

Key risk(s): Capital Risk, Economic Risk, Financial Risk, Inflation Risk, Interest Rate Risk, Legal/Regulatory Risk, Liquidity Risk, Market Risk, Operational Risk, Strategy Risk.

Short-Term Purchases

Short-term purchases generally involve the acquisition of an investment instrument and holding it for a period of not more than one year.

Key risk(s): Capital Risk, Economic Risk, Financial Risk, Higher Trading Costs, Interest Rate Risk, Legal/Regulatory Risk, Liquidity Risk, Market Risk, Operational Risk, Strategy Risk.

Investing in securities or other investment products involves the risk of loss and you should be prepared to bear such losses.

VIII.(B). Risk Disclosures

Capital Risk

Capital risk is one of the most basic, fundamental risks of investing; it is the risk that you may lose 100 percent of your money. All investments carry some form of risk and the loss of capital is generally a risk for any investment instrument.

Credit Risk

Credit risk can be a factor in situations where an investment's performance relies on a borrower's repayment of borrowed funds. With credit risk, an investor can experience a loss or unfavorable performance if a borrower does not repay the borrowed funds as expected or required. Investment holdings that involve forms of indebtedness (i.e. borrowed funds) are subject to credit risk.

Currency Risk

Fluctuations in the value of the currency in which your investment is denominated may affect the value of your investment and thus, your investment may be worth more or less in the future. All currency is subject to swings in valuation and thus, regardless of the currency denomination of any particular investment you own, currency risk is a realistic risk measure. That said, currency risk is generally a much larger factor for investment instruments denominated in currencies other than the most widely used currencies (U.S. dollar, British pound, Euro, Japanese yen, etc.).

Economic Risk

The prevailing economic environment is important to the health of all businesses. Some companies, however, are more sensitive to changes in the domestic or global economy than others. These types of companies are often referred to as cyclical businesses. Countries in which a large portion of businesses are in cyclical industries are thus also very economically sensitive and carry a higher amount of economic risk. If an investment is issued by a party located in a country that experiences wide swings from an economic standpoint or in situations where certain elements of an investment instrument are hinged on dealings in such countries, the investment instrument will generally be subject to a higher level of economic risk.

Financial Risk

Financial risk is represented by internal disruptions within an investment or the issuer of an investment that can lead to unfavorable performance of the investment. Examples of financial risk can be found in cases like Enron or many of the dot com companies that were caught up in a period of extraordinary market valuations that were not based on solid financial footings of the companies.

Higher Trading Costs

For any investment instrument or strategy that involves active or frequent trading, you may experience larger than usual transaction-related costs. Higher transaction-related costs can negatively affect overall investment performance.

Inflation Risk

Inflation risk involves the concern that in the future, your investment or proceeds from your investment will not be worth what they are today. Throughout time, the prices of resources and end-user products generally increase and thus, the same general goods and products today will likely be more expensive in the future. The longer an investment is held, the greater the chance that the proceeds from that investment will be worth less in the future than what they are today. Said another way, a dollar tomorrow will likely get you less than what it can today.

Interest Rate Risk

Certain investments involve the payment of a fixed or variable rate of interest to the investment holder. Once an investor has acquired or has acquired the rights to an investment that pays a particular rate (fixed or variable) of interest, changes in overall interest rates in the market will affect the value of the interest-paying investment(s) they hold. In general, changes in prevailing interest rates in the market will have an inverse relationship to the value of existing, interest paying investments. In other words, as interest rates move up, the value of an instrument paying a particular rate (fixed or variable) of interest will go down. The reverse is generally true as well.

Legal/Regulatory Risk

Certain investments or the issuers of investments may be affected by changes in state or federal laws or in the prevailing regulatory framework under which the investment instrument or its issuer is regulated. Changes in the regulatory environment or tax laws can affect the performance of certain investments or issuers of those investments and thus, can have a negative impact on the overall performance of such investments.

Liquidity Risk

Certain assets may not be readily converted into cash or may have a very limited market in which they trade. Thus, you may experience the risk that your investment or assets within your investment may not be able to be liquidated quickly, thus, extending the period of time by which you may receive the proceeds from your investment. Liquidity risk can also result in unfavorable pricing when exiting (i.e. not being able to quickly get out of an investment before the price drops significantly) a particular investment and therefore, can have a negative impact on investment returns.

Market Risk

The market value of an investment will fluctuate as a result of the occurrence of the natural economic forces of supply and demand on that investment, its particular industry or sector, or the market as a whole. Market risk may affect a single issuer, industry or sector of the economy or may affect the market as a whole. Market risk can affect any investment instrument or the underlying assets or other instruments held by or traded within that investment instrument.

Operational Risk

Operational risk can be experienced when an issuer of an investment product is unable to carry out the business it has planned to execute. Operational risk can be experienced as a result of human failure, operational inefficiencies, system failures, or the failure of other processes critical to the business operations of the issuer or counter party to the investment.

Past Performance

Charting and technical analysis are often used interchangeably. Technical analysis generally attempts to forecast an investment's future potential by analyzing its past performance and other related statistics. In particular, technical analysis often times involves an evaluation of historical pricing and volume of a particular security for the purpose of forecasting where future price and volume figures may go. As with any investment analysis method, technical analysis runs the risk of not knowing the future and thus, investors should realize that even the most diligent and thorough technical analysis cannot predict or guarantee the future performance of any particular investment instrument or issuer thereof.

Strategy Risk

There is no guarantee that the investment strategies discussed herein will work under all market conditions and each investor should evaluate his/her ability to maintain any investment he/she is considering in light of his/her own investment time horizon. Investments are subject to risk, including possible loss of principal.

VIII.(C). Investment-Specific Risks

There is no single type of investment instrument that we predominantly recommend, however, please be mindful that all investments carry some form and degree of risk. Certain types of investments carry greater types and levels of risk than others and you should make sure that you fully understand not only the investment product itself but also the attendant risk factors associated with such products.

IX. Disciplinary Information

The purpose of this section is for us to disclose to you any legal, disciplinary, or other events that you may consider material in your evaluation of our firm or the integrity of our management. Following each of the numbered items below, we shall provide details as to each applicable matter or we will answer "No" or "N/A." This information is presented in a question and answer format. The time period required to be covered by our answers in this section is ten years from the date of the events requiring disclosure.

IX.(A). Criminal or Civil Action

In any domestic, foreign, or military court of competent jurisdiction, has CJFS or any of its management persons...		
Been convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

these offenses?		
Been identified as the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Been found to have been involved in a violation of an investment-related statute or regulation; or	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Been the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a management person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

IX.(B). Administrative Proceedings

Has CJFS or any of its management persons been the subject of an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which CJFS or any of its management persons...		
Was found to have caused an investment-related business to lose its authorization to do business; or	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority...		
denying, suspending, or revoking the authorization of CJFS or one of its management persons to act in an investment-related business;	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
barring or suspending CJFS or one of its management person's association with an investment-related business;	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
otherwise significantly limiting CJFS or one of its management person's investment-related activities; or	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
imposing a civil money penalty of more than \$2,500 on CJFS or one of its management persons?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

IX.(C). SRO Proceedings

Has CJFS or any of its management persons been involved in a SRO proceeding in which CJFS or any of its management persons ...		
Was found to have caused an investment-related business to lose its authorization to do business; or	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

X. Other Financial Industry Activities and Affiliations

The following information will address any active or pending financial industry affiliations that you need to know about for the purpose of identifying any related conflicts of interest that you might consider material in regard to letting us handle your investment advisory needs.

X.(A). Broker-Dealers

Neither CJFS nor any of its management persons is registered as a broker-dealer nor do either parties have an application pending or otherwise in process for the purpose of seeking registration as a broker-dealer. Further, none of our management persons are registered as or currently seeking registration as a registered representative of a broker-dealer.

X.(B). Futures Commission Merchants, Introducing Brokers, Commodity Trading Advisors, Commodity Pool Operators

Neither CJFS nor any of its management persons is registered as a futures commission merchant, an introducing broker, a commodity trading adviser, or a commodity pool operator, nor do either parties have an application pending or otherwise in process for the purpose of seeking registration as any of these types of firms. Further, none of our management persons are registered as or currently seeking registration as associated persons of any of these types of firms.

X.(C). Related Persons

The purpose of this section is to allow us the ability to identify any other entities that meet the definition of a “related person” of ours that fit one of the categories described below. Once identifying all of our related persons that fit one of these categories (if any), we need to explain to you certain details surrounding any material relationship between any of our related persons and our investment advisory business in general. Next, we will need to describe to you any material relationship between any of our related persons and our investment advisory clients. If there are no other entities in any of the categories introduced below that meet the definition of a related person of ours, then we obviously have no additional details to describe to you. If, however, we do have any related persons that fit one of those categories AND there is some material relationship between those parties and (1) our investment advisory business and (2) our investment advisory clients, we need to provide you some additional details accordingly.

Listed below are the specific categories of potential related persons of ours. In the event that we have a related person that is included in one of those categories, we will address not only the relationship or arrangement that is material to our advisory business or our clients but also any conflict(s) arising out of this relationship/arrangement and how we address such conflict(s). It should be understood that if the checkbox immediately preceding a category is unselected, that category shall be deemed not applicable for the purpose of this item X.(C).

- ☐ Broker-dealer, municipal securities dealer, or government securities dealer or broker
- ☐ Investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)
- ☐ Other investment adviser or financial planner
- ☐ Futures commission merchant, commodity pool operator, or commodity trading advisor

☐ Banking or thrift institution

☒ Accountant or accounting firm

Related Person: Some of CJFS's associated persons and owners are also owners of and certified public accountants with Coulter and Justus, P.C.

Conflict: Clients needing accounting services will be referred to Coulter and Justus, P.C. but will be under no obligation to utilize their services.

How we Address the Conflict(s): The conflict is addressed in this Brochure which will be delivered to the client at the time the engagement is entered into.

☐ Lawyer or law firm

☐ Insurance company or agency

☐ Pension consultant

☐ Real estate broker or dealer

☐ Sponsor or syndicator of limited partnerships

X.D Use of Other Investment Advisers

We do not use other investment advisers in the course of the services described above in Item IV.(B).

XI. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

XI.A Code of Ethics

We take great pride in our commitment to serving our clients' needs and the integrity with which we conduct our business. In our recent history, the financial services industry has come under significant scrutiny, especially in the area of the inherent responsibility of financial professionals to behave in the best interests of their clients.

We have developed a Code of Ethics ("Code") as a means of memorializing our vision of appropriate and professional conduct in carrying out the business of providing investment advisory services. Our Code addresses issues such as the following:

- Standards of conduct and compliance with applicable laws, rules, and regulations
- Protection of material non-public information
- The addressing of conflicts of interest
- Employee disclosure and reporting of personal securities holdings and transactions
- The firm's IPO and private placement policy
- The reporting of violations of the Code
- Educating employees about the Code
- Enforcement of the Code

Each of our representatives has been furnished with a copy of our Code and has signed their names to a written acknowledgement attesting to their understanding of the Code and acceptance of its terms. A copy of our Code is available to all current and/or prospective clients upon request.

XI.(B) Participation in Client Trading

The information in this item is intended to address situations in which we or one of our related persons may have a material financial interest in the investment instruments we may recommend to you. No such arrangements exist.

XI.(C) Trading Alongside Our Clients

On occasion, we may invest for our own accounts or have a financial interest in the same securities or other investments that we recommend or acquire for the accounts of our clients. Further, we may also engage in transactions that are the same as or different than transactions recommended to or made for our client's accounts. Such transactions are permitted if effected, pre-cleared and reported in compliance with our policy on personal securities transactions. Generally, personal securities transactions will not be pre-cleared when an order for the same or a related security is pending for the account of a client. Our Designated Supervisor reviews reports of personal transactions in securities by all of our associated persons quarterly or more frequently if required.

Investment Policy

None of our associated persons may effect for himself/herself or for accounts in which he/she holds a beneficial interest, any transactions in a security which is being actively recommended to any of our clients, unless in accordance with the following procedures.

Firm Procedures

In order to implement our Investment Policy, the following procedures have been put into place.

- 1) If we are recommending that any of our clients buy any security, no associated person may purchase that security prior to a client's purchase of that security; and
- 2) If we are recommending that any of our clients sell any security, no associated person may sell that security prior to a client's sale of that security.

As an alternative to the procedures described in the preceding points, we may include our own order(s) in a batch order with other client orders that would involve average pricing for the entire batch such that we would receive the same pricing as all other clients participating in the batch.

It is the primary intent of these procedures to ensure that the best interests of our clients are always served over that of our own. Trading on our own behalf that results in our own interests being served over that of our clients could be considered a breach of our fiduciary duty and thus, is aggressively discouraged.

XI.(D) Trading Around the Same Time as Clients

The information in this item is intended to address situations in which we or any of our related persons may invest in the investment instruments we may recommend to you.

Transactions for the client's account generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at the same or approximately the same time. We may (but are not obligated to) combine or "batch" such orders in order to obtain best execution or to negotiate more favorable transaction rates. To the extent that we elect to aggregate client orders for the purchase or sale of securities, including securities in which our associated persons may invest, we will generally do so in accordance with the parameters set forth in SEC

No-Action Letter, *SMC Capital, Inc.* We will not receive any additional compensation or remuneration as a result of a batched order.

XII. Brokerage Practices

The purpose of this Item is to present to you the factors that we take into consideration when (1) selecting or recommending broker-dealers to you for the purpose of effecting transactions on your behalf and (2) for determining the reasonableness of such broker-dealers' compensation related to such transactions.

Clients are free to select any broker-dealer they choose, however, CJFS will generally recommend a single broker-dealer to be used as the primary broker-dealer of record for client accounts. CJFS conducts regular reviews to make sure its clients are receiving competitive pricing and services from any broker dealer it may recommend. CJFS considers a broker-dealer's product offerings, ticket charges, account fees, online access, and best execution statistics in addition to the services and support available to CJFS as a firm. The amount/value of research available is a negligible factor in CJFS' decision to recommend a particular broker-dealer. Ticket charges incurred at a broker-dealer recommended by CJFS may be higher or lower than those clients may be able to obtain if transactions were implemented through a different broker-dealer.

XII.(A).(1). Research and Soft Dollar Benefits

Soft dollar benefits are items such as research or other products or services (other than the typical execution and other brokerage services available to all other investment advisers) that we may receive from a broker-dealer or other party in connection with the client securities transactions we direct to that/a broker-dealer(s).

We do not participate in any soft dollar arrangements.

XII.(A).(2). Brokerage for Client Referrals

In certain circumstances, firms like ours may receive client referrals as a result of recommending particular broker-dealers or other service providers. We, however, do not participate in any formal arrangements wherein we receive client referrals from any particular broker-dealer in return for selecting or recommending such broker-dealer.

XII.(A).(3). Directed Brokerage

This item is intended to address situations where we may recommend, request, or require you to provide us instructions as to how to direct brokerage activity on your behalf.

XII.(A).(3)(a). Directed Brokerage – Recommended, Requested, or Required

Not all investment advisers require their clients to direct brokerage activity through any particular broker-dealer. We do not routinely recommend, request, or require that you direct us as to how to execute brokerage transactions on your behalf (i.e. using a particular broker-dealer for execution purposes).

XII.(A).(3)(b). Directed Brokerage – Permitted

Not all investment advisers require their clients to direct brokerage activity through any particular broker-dealer, however, you may direct us to use a particular broker-dealer (subject to our right to decline such a request) to

execute some or all transactions for your account or otherwise on your behalf. In such an event, we will not negotiate terms and arrangements for the account with the other broker-dealer, and we will not seek better execution services or prices from other broker-dealers or be able to “batch” the transactions for execution through other broker-dealers with orders for other accounts we manage. As a result, you may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

XII.(B). Order Batching

Transactions for the client’s account generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at the same or approximately the same time. We may (but are not obligated to) combine or “batch” such orders in order to obtain best execution or to negotiate more favorable transaction rates. Reasoning for attempting to effect a batch order is that we may need to trade in the same security for multiple accounts at or around the same time and batching may allow us to achieve a more favorable price on average for all clients. Batching, however, doesn’t guarantee the lowest possible price for execution, however, it is intended to reduce the overall volatility in execution price for a large # of orders that if not batched together, may experience significantly different execution prices. Conversely, in the event that we do not batch a group of orders that otherwise may be a prime candidate for a batched order, the resulting cost for some clients may be higher or lower than what we might be able to achieve by processing a batched order for the benefit of those same clients.

To the extent that we elect to aggregate client orders for the purchase or sale of securities, including securities in which our associated persons may invest, we will generally do so in accordance with the parameters set forth in SEC No-Action Letter, *SMC Capital, Inc.* We will not receive any additional compensation or remuneration as a result of a batched order.

XIII. Review of Accounts

XIII.(A). Review of Accounts or Financial Plans

Review of client accounts.

We will review your accounts quarterly. The Designated Supervisor (i.e. the person named in our written supervisory procedures as the responsible party for this function) will review your accounts for best execution, suitability, and service. The Designated Supervisor will review the performance and cost basis for your transactions. Your investment objectives are used to review for suitability. Quarterly, transactions are reviewed referencing your investment objectives for any transaction that may not fit your stated objectives, or our understanding of your investment objectives will be flagged and reviewed with the investment adviser representative placing the trade.

Name and title of Designated Supervisor: J. Mark King, CCO

Mr. King will employ the procedures noted above for the client’s accounts subject to CJFS’s investment advisory services.

Review of Financial Plans.

Unless specifically engaged to do so, we do not periodically review financial plans that we have prepared for clients.

XIII.(B). Non-Periodic Account Reviews

Events that may trigger further client account reviews in addition to the standard quarterly review process may include, but would not be limited to, a notable increase in the volume of requests by the client to effect transactions in his/her accounts, where such transactions may appear to be inconsistent with the client's previously stated investment objectives. Other factors may include requests by the client to liquidate certain securities positions/contracts where such transactions may appear to be inconsistent with the client's previously stated investment objectives. Additional triggering factors could be the performance on an individual account being an outlier to the performance of accounts with similar investment objectives, and a very important trigger would be customer complaints. This last trigger would be a prime example of a trigger for an intermittent review of a client account.

XIII.(C). Reports to Clients

Account statements will be provided no less frequently than quarterly by the custodian, not by us.

Account statements will identify account positions, balances, and transaction details. Upon your request, a quarterly account appraisal (written or electronic) may be created for you as well as an annual year-end statement.

In the event we also send account statements to you in addition to those provided by the qualified custodian, you are urged to compare any account statements provided by us to those provided by the custodian.

XIV. Client Referrals and Other Compensation

XIV.(A). Compensation we Receive

CJFS's associated persons sell insurance products in their separate capacities as independently licensed insurance agents and earn sales commissions for insurance sales. CJFS receives all insurance based compensation earned by CJFS' associated persons and administers the payments of those commissions to each CJFS associated person. CJFS also retains a portion of such insurance commissions.

CJFS from time to time may receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made.

Arrangements involving someone's receipt of both advisory and other compensation (such as insurance commissions) in connection with the advisory services we provide to you can be considered "double-dipping." That term carries negative connotations but in the financial services industry, it is not only acceptable but is completely appropriate and within the permissible activities of those individuals and entities who are properly registered and licensed to engage in such activities. You should be aware that some investment advisers do not receive other compensation for transactions they may effect on your behalf and as a result of dealing with other firms, you will not necessarily pay any less for the same services that you may receive from us, however, the individual that you may deal with or his/her sponsoring firm may not be eligible to receive compensation other than the investment advisory compensation that you would normally expect to pay an investment adviser for the same services.

The general industry standard for a client's overall annual fee for investment advisory services is a cap of 3.0%. This means that most investment advisers will keep their service fees for investment advisory work below 3.0% (of

the assets they have been engaged to manage) on an annual basis. That said, a client could easily pay in excess of 3.0% of the assets that their investment adviser has been engaged to manage in light of other fees such as brokerage fees/commissions, execution costs, custodial fees, etc. We routinely monitor our fees to ensure that they are not only consistent with those found in the industry for similar services, but we also review our fees for the purpose of ensuring that our billing practices are consistent with the provisions set for in your advisory agreement with us.

XIV.(B). Compensation we Pay

Under certain circumstances, firms like ours may compensate other parties for having referred clients or potential investment advisory clients them. These sorts of arrangements are generally referred to as “solicitor” arrangements. We do not participate in any solicitor arrangements.

XV. Custody

We engage in certain activities that result in us being deemed to have custody of certain of our client’s funds and/or securities.

- ☒ Automatic fee deduction from your brokerage or other trading accounts
- ☐ Physical possession or control (even temporary) of client funds or securities
- ☐ The ability to gain access to any client funds and/or securities
- ☐ One of our related persons has custody of funds and/or securities subject to our investment advisory services
- ☐ We or one of our related persons serves as the general partner, managing member, or other similar type of control person to an investment fund to which we provide investment advisory services.

As stated previously in Item XIII.(C)., your account statements will be provided by the qualified custodian that maintains physical possession of your accounts/assets. In the event that we also provide you information related to your accounts, you are urged to compare that information to the information contained on the account statements or other statements received from the qualified custodian.

XVI. Investment Discretion

In connection with our investment advisory services, we will generally seek and obtain your authorization to carry out part of our services on a purely discretionary basis. We will memorialize your authorization of our discretionary authority in our investment advisory agreement.

If you have authorized us to do so, we will exercise discretion over the following areas.

- 1) The specific securities to be bought or sold on the client’s behalf
- 2) The amount of securities to be bought or sold on the client’s behalf
- 3) Timing as to when such securities are to be bought or sold

We will have authority to exercise complete discretion with regard to the above named factors without restriction. If done so on a non-discretionary basis, we will make certain recommendations that must be authorized by you are, prior to our facilitation of any such transactions. As may be separately agreed to in writing, we will observe any other specific limitations that may be imposed by you in relation to this discretionary authority.

XVII. Voting Client Securities

XVII.(A). Proxy Voting

Proxy Voting Policies and Procedures and Client Instruction

We do not vote proxies on behalf of any securities you own.

XVII.(B). Proxy Voting

Proxies related to the securities you own will be disseminated as dictated by the issuer, transfer agent, or as otherwise set forth in the account opening paperwork you completed for the custodian holding your account/assets. If you have questions related to a particular proxy notice, please call us at 865.481.0385.

XVIII. Financial Information

XVIII.(A). Balance Sheet

We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. As a result, we are not required to provide our clients with a copy of our balance sheet from our most recently completed fiscal year.

XVIII.(B). Adverse Financial condition

In the event that we have discretionary authority or custody of any of our clients' assets or if we require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, we are required to disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments with our clients. No such conditions exist.

XVIII.(C). Bankruptcy-Related Matters

CJFS has never been the subject of a bankruptcy petition.

XIX. Requirements for State-Registered Advisers

As a federally-registered investment adviser, this section of our Brochure is not applicable to us.