

## ***Item 1 - Cover Page***

**Chris C. Crenshaw Financial Services, LLC  
2727 University Drive  
Durham, NC 27707  
(919) 493-3669**

**March, 2012**

This brochure provides information about the qualifications and business practices of Chris C. Crenshaw Financial Services, LLC [hereinafter also referred to as “CCCFS” or the “firm”]. If you have any questions about the contents of this brochure, please contact us at (919) 493-3669 or [chris@c3financial.com](mailto:chris@c3financial.com). This information has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority.

Additional information about us is also available on the internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number known as a CRD number. The CRD number for Chris C. Crenshaw Financial Services, LLC is 150166.

Chris C. Crenshaw Financial Services, LLC is a Registered Investment Advisor. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training. The oral and written communications of an Advisor provide you with information you may use to determine to hire or retain an Advisor.

This brochure was updated on March 21, 2012.

Chris C. Crenshaw  
Principal and Chief Compliance Officer  
Chris C. Crenshaw Financial Services, LLC

## ***Item 2 - Material Changes***

The following are the material changes since the last annual filing of our brochure in March, 2011:

***Item 5, Fees and Compensation*** section has been amended to reflect a new fee schedule that applies only to new clients who sign an Investment Advisory Contract after April 1, 2012. The new schedule reads as follows:

Unless otherwise agreed to by both parties, the following management fee schedule will be in effect for new clients:

<b>Assets Under Management</b>	<b>Annual Fee</b>	<b>Quarterly Fee</b>
Under \$2,000,000	1.00%	0.2500%
\$2,000,000 - \$2,999,999	0.95%	0.2375%
\$3,000,000 - \$3,999,999	0.90%	0.2250%
\$4,000,000 - \$5,000,000	0.85%	0.2125%
Over \$5,000,000	0.80%	0.2000%

The previous fee schedule, which still applies to clients who signed Investment Advisory Contracts prior to April 1, 2012, reads as follows:

Unless otherwise agreed to by both parties, the following management fee schedule will be in effect:

<b>Assets Under Management</b>	<b>Annual Fee</b>	<b>Quarterly Fee</b>
Under \$1,999,999	1.00%	0.2500%
\$2,000,000 - \$2,999,999	0.90%	0.2250%
\$3,000,000 - \$3,999,999	0.85%	0.2125%
\$4,000,000 - \$4,999,999	0.80%	0.2000%
\$5,000,000 and over	Negotiable	Negotiable

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## ***Item 4 - Advisory Business***

### **The Firm's History**

Chris C. Crenshaw Financial Services, LLC (hereinafter "CCCFS" or "the firm") was formed in 2009 as a limited liability company under the laws of North Carolina.

Prior to that time, the firm operated as a sole proprietorship founded in 1996 under the name Chris C. Crenshaw Financial Services.

The firm was formed to offer personalized investment advisory services to individuals, trusts, estates, charitable organizations, corporations, and business entities by providing financial planning services and portfolio management. The firm's services and fee arrangements are described in the following pages.

### **Contact Information**

The office is currently located at 2727 University Drive, Durham, NC 27707. The telephone number is (919) 493-3669 and the fax number is (919) 493-9094. Email address is [chris@c3financial.com](mailto:chris@c3financial.com).

Normal business hours are Monday through Friday from 8:30 am until 5:00 pm and by appointment at other times.

### **The Principal**

The principal and owner of the firm is Chris C. Crenshaw.

### **Portfolio Management Services**

Chris C. Crenshaw Financial Services, LLC primarily offers non-discretionary continuous portfolio management. Investment plans appropriate for each client are created based on the individual needs and investment objectives of that client.

During an initial consultation, pertinent information about your personal and financial circumstances and objectives is collected. In addition, you will be asked to complete a thorough fact finder, including a psychological profile of risk tolerance and an assessment of financial goals and life events.

Each quarter you will be asked, in writing, whether your goals or investment objectives have changed so that the plan can be adjusted.

### **Financial Planning Services**

CCCFS provides financial planning and consulting, principally advisory in nature, at no charge to our Investment Advisory clients. After pertinent information about your financial circumstances and objectives is collected, reviewed, and analyzed, a financial plan designed to achieve your stated goals and objectives may be presented to you.

Financial plans are based on your financial situation at the time the plan is presented and on financial information disclosed by you to us. Certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. Past performance is in no way an indication of future performance. CCCFS cannot offer any guarantees or promises that your financial goals and objectives will be met. As your financial situation, goals, objectives, or needs change, you must notify the firm promptly.

### **Amount of Assets Under Advisement**

As of March 15, 2012, Chris C. Crenshaw Financial Services, LLC provides non-discretionary management for assets valued at \$60,000,000.00.

## ***Item 5 - Fees and Compensation***

Annual fees for portfolio management services are deducted quarterly, and are due for the upcoming quarter on the first business day of that quarter. The fee is based on the asset values on the last trading day of the previous quarter.

In the event that your advisory contract is terminated, pro-rated refunds are made based on the number of days remaining in the quarter and the termination date of the contract, which occurs ten days after we receive or deliver written notice. In most cases, the refund will be made in the form of a check mailed to you.

Unless otherwise agreed to by both parties, the following management fee schedule will be in effect for new clients:

<b>Assets Under Management</b>	<b>Annual Fee</b>	<b>Quarterly Fee</b>
Under \$2,000,000	1.00%	0.2500%
\$2,000,000 - \$2,999,999	0.95%	0.2375%
\$3,000,000 - \$3,999,999	0.90%	0.2250%
\$4,000,000 - \$5,000,000	0.85%	0.2125%
Over \$5,000,000	0.80%	0.2000%

Provided that you provide written authorization allowing it, payment of our management fees may be made directly from your account by either the qualified custodian holding the funds (usually Fidelity Investments), or by any other representative authorized by you. The qualified custodian agrees to deliver an account statement directly to you, at least quarterly and usually monthly, showing all disbursements from your account. You are encouraged to review all account statements for accuracy.

In limited circumstances, upon request, we may agree to directly invoice you for advisory fees. In such cases, fees will be payable as invoiced instead of being directly debited.

CCCFS's quarterly management fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses, which shall be incurred by the client. Certain charges imposed by custodians and other third parties may be incurred. Mutual funds and exchange traded funds may also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to the firm's management fee, and we do not receive any portion of these commissions, fees and costs.

Fidelity Investments transaction charges typically range from \$7.95 per transaction for clients who are enrolled in electronic statements/confirmations or have account balances over \$1,000,000 to \$17.95 for clients who do not meet those criteria. There are no commissions for buying or selling Fidelity funds.

We do not accept compensation for the sale or trading of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

### ***Item 6 - Performance-Based Fees & Side-By-Side Management***

We do not accept performance-based fees – that is, fees that are based on a share of capital gains or on capital appreciation of the your assets – and we do not manage accounts that are charged both performance-based fees and other types of fees such as hourly fees, flat fees, or asset-based fees.

### ***Item 7 - Types of Clients***

Chris C. Crenshaw Financial Services, LLC provides investment advisory services to individuals, trusts, estates, charitable organizations, corporations and other business entities. More than 80% of our clients are high net worth individuals. There is no minimum account size.

### ***Item 8 - Methods of Analysis, Investment Strategies & Risk of Loss***

In designing investment plans for each of our clients, we rely on information supplied by you and, in some cases, by your other professional advisors such as attorneys, CPAs, etc., pertaining to your financial situation, objectives, time horizon and risk tolerance. This information becomes the basis for the strategic asset allocation plan which best meets your long-term stated goals. The investment plan provides for investments in those asset classes which we believe will possess attractive combinations of return, risk, and correlation over the long term to help you accomplish your goals and objectives.

We may at times utilize historical valuation levels of various asset classes (as measured by accepted modern portfolio statistics) or of specific securities to estimate probable long-term expected returns as a means of aiding investment and financial planning decision making. Our analysis may be based on a number of factors, including those derived from commercially available software technology, securities rating services, general economic, market and financial information, due diligence reviews, and specific investment analyses relating to your needs. Both fundamental and technical methodology is used.

Investing in securities involves a risk of loss that each client should be prepared to bear. The investment recommendations of Chris C. Crenshaw Financial Services, LLC seek to limit risk through broad diversification within qualified positions that effectively demonstrate the capability to produce desired results. While we seek to limit losses through this broad diversification, this methodology may still subject you to short-term declines in the value of your portfolio.

### ***Item 9 - Disciplinary Information***

Registered Investment Advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to evaluation of the firm or to the integrity of its management. Chris C. Crenshaw Financial Services, LLC has nothing to disclose and no information applicable to this item.

### ***Item 10 - Other Financial Industry Activities & Affiliations***

Chris C. Crenshaw is an emeritus representative of American United Life Insurance Company (AUL) and on very rare occasions acts as an agent on behalf of investment advisory clients who wish to buy life insurance policies. Insurance records and transactions are made and housed separately from investment advisory records, and compensation, which is fully disclosed to clients, is made from AUL directly to Mr. Crenshaw.

Neither Chris C. Crenshaw nor any management persons employed by Chris C. Crenshaw Financial Services, LLC are registered or have an application pending to register as a broker-dealer, a registered representative of a broker-dealer, a futures commission merchant, a commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

We do not recommend or select other investment advisors for clients, and therefore do not receive compensation from doing so that could create a material conflict of interest.

### ***Item 11 - Code of Ethics, Participation or Interest in Client Transactions & Personal Trading***

Chris C. Crenshaw Financial Services, LLC has adopted a Code of Ethics for all employees and supervised persons of the firm describing its high standard of business conduct and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, prohibitions on insider trading and rumor mongering, restrictions on accepting gifts, and and personal securities trading procedures, among other things. All supervised persons at CCCFS must acknowledge the terms of the Code of Ethics annually or as amended and are required to follow it.



Subject to satisfying this policy and applicable laws, officers, management, and employees of CCCFS may trade for their own accounts in securities which are recommended to and/or purchased for client's accounts. The Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of CCCFS employees will not interfere with making decisions in the best interest of our advisory clients.

### ***Item 12 - Brokerage Practices***

We do not receive research or other products or services ("soft-dollar benefits"), other than those provided by Fidelity Investments as our primary custodian, from any broker-dealer or third party in connection with client securities transactions, and have no incentive to select or recommend a broker-dealer based on an interest in receiving client referrals.

### ***Item 13 - Review of Accounts***

Client accounts are routinely reviewed on a weekly basis by Chris C. Crenshaw, who is also Chief Compliance Officer for CCCFS. Reviews are conducted for the purpose of evaluating, reporting, recommending rebalancing (if needed), and implementing the investment objective of each client, giving due consideration to the client's risk propensity, stated objectives, and time horizon.

Other than weekly reviews, notification from you that your investment objectives or financial situations have changed will trigger account reviews, as may certain changing market conditions. You may request a review at any time either by email or phone.

As soon as possible after the end of a quarter, Chris C. Crenshaw Financial Services, LLC sends you a written Quarterly Report consisting of a portfolio snapshot, a summary report that contains the ending quarter balances of all of your holdings, and an explanation of management fees that were deducted and how they were calculated.

Written or electronic (if you so request) copies of transaction confirmations and monthly account statements are sent directly to you from the custodian (usually Fidelity Investments). You may access your accounts electronically at any time for up to date account balances.

### ***Item 14 - Client Referrals & Other Compensation***

While client referrals are always appreciated, Chris C. Crenshaw Financial Services, LLC does not give or receive any compensation for client referrals.

### ***Item 15 - Custody***

Chris C. Crenshaw Financial Services, LLC does not custody any client assets.

As noted in item 13, as soon as possible after the end of a quarter, we send you a Quarterly Report, and the custodian of your accounts (usually Fidelity Investments) sends you copies of transaction confirmations and monthly account statements.

You are urged to compare the account statements received from Chris C. Crenshaw Financial Services, LLC and those received from the custodian for accuracy.

### ***Item 16 - Investment Discretion***

Chris C. Crenshaw Financial Services, LLC does not have discretionary authority to manage assets on behalf of our clients.

### ***Item 17 - Voting Client Securities***

As a matter of firm policy and practice, Chris C. Crenshaw Financial Services, LLC does not have any authority to and will not vote proxies on your behalf.

You will receive proxies and other solicitations directly from Fidelity Investments or other direct custodians of your assets. We will attempt to answer questions about particular solicitations, but will only provide interpretation of the material. Legal advice, suggestions, or recommendations as to what action to take or not take will not be provided.

### ***Item 18 - Financial Information***

Registered Investment Advisors are required in this item to provide you with certain financial information or disclosures about the firm's financial condition. CCCFS has no financial circumstance that impairs our ability to meet contractual and fiduciary commitments to our clients, and has not been the subject of a bankruptcy proceeding.

### ***Requirements for State-Registered Advisors***

#### **Education and Business Background**

Chris C. Crenshaw is the sole member and only principal in Chris C. Crenshaw Financial Services, LLC. He has over forty years of experience in investment management, financial planning, and insurance and more than 300 hours of continuing education.

Christopher Carrol Crenshaw, Principal

Year of Birth: 1937

Formal Education: A.S., Southern Polytechnic State University

Mr. Crenshaw's other occasional business practice (insurance) is described elsewhere in this ADV (See Item 10).

Chris C. Crenshaw Financial Services, LLC does not charge performance-based fees.

Neither Chris C. Crenshaw nor any management persons employed by Chris C. Crenshaw Financial Services, LLC have been part of an award or been found liable for any arbitration claim or other action in a civil, self-regulatory, or administrative proceeding.

Neither Chris C. Crenshaw nor any management persons employed by Chris C. Crenshaw Financial Services, LLC maintains any relationship or arrangement with any related person which would be considered material to its advisory business or to its clients.