

**Cana Financial Advisors, LLC**

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**06/13/2012**

**FORM ADV PART 2A**

**BROCHURE**

**This brochure provides information about the qualifications and business practices of Cana Financial Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 317-578-0041. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Cana Financial Advisors, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Cana Financial Advisors is 154769.**

**Cana Financial Advisors, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.**

## Item 2 Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Generally, Cana Financial Advisors will notify clients of material changes on an annual basis. However, where we determine that an interim notification is either meaningful or required, we will notify our clients promptly. In either case, we will notify our clients in a separate document.

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## Item 4 Advisory Business

### Description of Services and Fees

Cana Financial Advisors, LLC is a registered investment adviser based in Indianapolis, Indiana. We are organized as a limited liability company under the laws of the State of Indiana and we have been providing investment advisory services since 2010. Robert L. Bates is our principal owner.

The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we", "our" and "us" refer to Cana Financial Advisors, LLC and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person or Investment Adviser Representative throughout this brochure. As used in this brochure, our Associated Persons or Investment Adviser Representatives are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm.

### Wealth Management Services

We provide wealth management services designed to integrate your overall planning and investment needs and to help you grow, preserve and protect your assets. Our wealth management services consist of investment management services, family office and financial planning services. The process typically begins with an exploratory meeting during which we start the process of gathering pertinent information necessary to assist you in determining specific needs, goals, objectives and tolerance for risk. We will also meet periodically with you to discuss your financial strategy and other concerns.

Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. The services described below may be offered on a comprehensive basis or on an a-la-carte basis and you are free to choose one or all of the services.

### Investment Management Services

We offer discretionary and non-discretionary investment management services in accordance with your individual investment objectives. If you retain our firm for investment management services, we will meet with you to determine your investment objectives, risk tolerance, and other relevant information (the "suitability information") at the beginning of our advisory relationship. We will use the suitability information we gather to develop a strategy that enables our firm to give you continuous and focused investment advice and to make investments on your behalf. As part of our investment management services, we may customize an investment portfolio for you in accordance with your risk tolerance and investing objectives. Once we construct an investment portfolio for you, we will monitor your portfolio's performance on an ongoing basis, and will rebalance the portfolio as required by changes in market conditions and in your financial circumstances.

If you participate in our discretionary investment management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow our firm to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm, a power of attorney, or trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing.

For non-discretionary accounts we will obtain your approval prior to each transaction. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

We may, on occasion, recommend unaffiliated Third Party Advisers ("TPAs") to manage a portion of your account. The TPA(s) will actively manage your portfolio and will assume discretionary investment authority over your account

We will periodically monitor the TPA(s)' performance to ensure its management and investment style remains aligned with your investment goals and objectives. Clients will receive full disclosure of the TPA's services, fees and other relevant information at the inception of the relationship by way of the TPAs disclosure brochure. You may be required to sign an agreement directly with the recommended TPA(s). You may terminate your advisory relationship with the TPA according to the terms of your agreement with the TPA. The fees charged by TPAs are separate and apart from the advisory fees charged by our firm.

Our investment management fee is 0.33% annually based on the value of the assets we manage on your behalf. Our annual investment management fee is billed and payable quarterly (0.0825%) in advance based on the value of your account on the last day of the previous quarter. If the management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances.

We will send you an invoice to your address of record for the payment of our advisory fee. You will pay the advisory fee directly to our firm; the fees are not taken directly from your investment accounts. We encourage you to reconcile our invoices with the statement(s) you receive from the qualified custodian. If you find any inconsistent information between our invoice and the statement(s) you receive from the qualified custodian please call our main office number located on the cover page of this brochure.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts.

Our firm's investment management fee does not include brokerage commissions and fees, transaction fees, and underlying mutual fund fees and other related costs and expenses. See the "Fees and Compensation" section below for more information.

You may make additions to and withdrawals from your account at any time, subject to our right to terminate an account. If assets are deposited in an account after the inception of a quarter, the fee payable with respect to such assets may be adjusted based on the number of days remaining in the quarter.

### **Family Office and Financial Planning Services**

We provide family office services designed to help clients organize their financial affairs and plan for the successful transfer of wealth to the next generation and to meet philanthropic goals. Family office services may cover areas such as integrated tax and estate planning, trust arrangements, risk management, family continuity and philanthropy, inheritance issues/transfer of wealth, cash/credit management and recordkeeping. Any family office analysis/assessments or other reports may be provided in segments after one or more working sessions with you.

We offer financial planning services which may include non-investment related matters. These services will typically involve providing a variety of advisory services to you regarding the management of your financial resources based upon an analysis of your individual needs. We will meet with you to gather information about your financial circumstances and objectives. Once we review and analyze the information you provide to our firm, we may deliver a written financial plan to you designed to help you achieve your stated financial goals and objectives.

Financial plans are based on your financial situation at the time we prepare the plan, and on the financial information you provide. You must promptly notify us if your financial situation, goals, objectives, or needs change. You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

We generally charge an annual fixed fee for family office and financial planning services, which generally ranges between \$5,000 and \$25,000. The fee is negotiable depending upon the complexity and scope of the services to be provided. Fee paying arrangements will vary from client to client and fees may be payable in advance, upon completion of the services rendered, or on a periodic basis. We will not require prepayment of a fee more than six months in advance and in excess of \$500.

### **Termination of Client Agreements**

If Form ADV Part 2 was not delivered to you at least 48 hours prior to you entering into the Client agreement, then you have the right to terminate the agreement without penalty, within five (5) business days after entering into the contract. Otherwise, you may terminate the agreement and receive a pro-rated refund, if applicable, as stated below.

Clients may terminate their agreements with the firm by providing us with 30 days written notice. As applicable, you will incur a pro rata charge for services rendered prior to the termination of the agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client or on a pro rata basis based on the work performed. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

### **Types of Investments**

We do not primarily offer advice on one type of security over another and offer advice on a broad range of investments. You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

### **Assets Under Management**

As of January 1, 2012, we manage \$38,977,305 in client assets on a discretionary basis, and \$3,664,210 in client assets on a non-discretionary basis.

## **Item 5 Fees and Compensation**

Please refer to the "Advisory Business" section in this brochure for information on our advisory fees, fee payment arrangements, and refund policy according to each service we offer.

### **Additional Fees and Expenses**

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their fund holders. These fees will generally include a management fee and other fund expenses. You may also incur transaction charges and/or

brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the "Brokerage Practices" section of this brochure.

Our firm reserves the right to liquidate any transferred securities, or decline to accept particular securities into your account. When transferred securities are liquidated, they may be subject to transaction fees, contingent deferred sales charges and/or tax ramifications.

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

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the *Advisory Business* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## Item 7 Types of Clients

We offer investment advisory services to individuals, families, trusts, estates, charitable organizations, corporations, and other small business entities.

In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your account if it falls below a minimum size which, in our sole opinion, is too small to effectively manage.

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

### Our Methods of Analysis and Investment Strategies

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

- **Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.
- **Technical Analysis** - involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks. The risk of market timing based on technical analysis is that charts may not accurately predict future price movements. Current prices of securities may reflect all information known about the security and day to day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

- **Long Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- **Short Term Purchases** - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

Client assets are advised using a combination of fundamental and technical information.. The fundamental analysis includes both the macro ("top down") and micro ("bottom up") information. Macro information is obtained primarily through financial media sources (internet, television, print) and the company specific, or micro information, is obtained through rating agency data, company filings with the Securities and Exchange Commission, company press releases and conference calls.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

We may use short-term trading (in general, selling securities within 30 days of purchasing the same securities) as an investment strategy when managing your account(s). Short-term trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk. In some cases, frequent trading can negatively affect investment performance, particularly through increased brokerage and other transactional costs and taxes.

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Moreover, as a result of revised IRS regulations, custodians and broker-dealers will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the FIFO ("First In First Out") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

### **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

### **Recommendation of Particular Types of Securities**



As disclosed under the "Advisory Business" section in this Brochure, we provide advice on a broad range of investments. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

## **Item 9 Disciplinary Information**

In February 2012, our firm and Robert Bates entered into a consent agreement, whereby, without admitting or denying any allegations, we paid a penalty as stated in the agreement, to the Indiana Secretary of State who alleged that our firm and Mr. Bates acted as an investment adviser and investment adviser representative, respectively, without being properly registered at various times during 2008 - 2010.

## **Item 10 Other Financial Industry Activities and Affiliations**

We are affiliated and under common ownership with Cana Financial Advisors, Inc. Cana Financial Advisors, Inc. provides tax and business consulting services. We have an incentive to recommend Cana Financial Advisors, Inc.'s services because it is under common ownership with our firm. The fees charged by our affiliate are separate and apart from the advisory fees charged by our firm. While we believe that fees charged by Cana Financial Advisors, Inc. are competitive, they may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use our affiliate's services and may obtain comparable services and/or lower fees through other firms.

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

### **Description of Our Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Our Code of Ethics is available to you upon request. You may obtain a copy of our Code of Ethics by contacting Robert Bates at 317-578-0041.

### **Participation or Interest in Client Transactions**

Neither our firm nor any of our Associated Persons has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

### **Personal Trading Practices**

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities.

## **Item 12 Brokerage Practices**

We may assist you with and recommend a broker-dealer custodian for custodial and brokerage services, however, the responsibility to choose one remains with you. Our firm does not have a relationship, financial or otherwise, with any one broker-dealer custodian. We may recommend the services of a variety of custodians including but not limited to Fidelity Investments, TD Ameritrade, E-Trade, Scottrade, and Charles Schwab.

We believe that custodians we recommend provide quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by the custodian, the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients.

### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

### **Directed Brokerage**

We routinely recommend that you direct our firm to execute transactions through the broker-dealer of your choice. As such, we may be unable to achieve the most favorable execution of your transactions and you may pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services. Not all advisers require their clients to direct brokerage.

### **Block Trades**

We do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (the practice of combining multiple orders for shares of the same securities is commonly referred to as "block trading"). Accordingly, you may pay different prices for the same securities transactions than other clients pay. Furthermore, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than other clients.

## **Item 13 Review of Accounts**

### **Investment Management Services**

Robert Bates, Member of Cana Financial Advisors will monitor your accounts on an ongoing basis and will conduct account reviews at least quarterly and upon your request to ensure that the advisory services provided to you and/or the portfolio mix are consistent with your stated investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals,
- year-end tax planning,
- market moving events,
- security specific events, and/or,
- changes in your risk/return objectives.

We will provide periodic written reports which may contain information such as balance, holdings, performance, and/or market related information. Such reports are provided to you based on the reporting period you choose at the onset of our advisory relationship. We will also provide you with a year-to-date gain/loss report in the fourth quarter of each year for taxable accounts. In addition, you will receive trade confirmations, monthly or quarterly statements, and year-end tax statements from your account custodian(s).

#### **Family Office and Financial Planning Services**

We will provide financial plans and/or reports summarizing our analysis and conclusions as requested by the client or otherwise agreed to in writing.

We will review/update your financial plan at your request, as needed and/or as detailed in the client agreement. Any review/updates may be subject to an additional fee.

### **Item 14 Client Referrals and Other Compensation**

We do not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.

### **Item 15 Custody**

We do not directly debit advisory fees from your account and we do not exercise custody over your funds or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian of your choice.

### **Item 16 Investment Discretion**

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement and/or trading authorization forms.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the "Advisory Business" section in this brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s).

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

#### **Proxy Voting**

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

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

## **Item 18 Financial Information**

Our firm does not have any financial conditions or impairments that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, we do not require the prepayment of more than \$500 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.

## **Item 19 Requirements for State-Registered Advisers**

Refer to the Part(s) 2B for background information about management personnel and those giving advice on behalf of our firm.

Our firm is not actively engaged in any business other than giving investment advice.

Neither our firm, nor any persons associated with our firm are compensated for advisory services with performance-based fees. Please refer to the "Performance-Based Fees and Side-By-Side Management" section above for additional information on this topic.

Neither our firm, nor any of our management persons have any reportable arbitration claims, civil, self-regulatory organization proceedings or administrative proceedings.

Neither our firm, nor any of our management persons have a material relationship or arrangement with any issuer of securities.

## **Item 20 Additional Information**

### **Your Privacy**

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact Robert Bates at 317-578-0041, if you have any questions regarding this policy.

**Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

**Robert L. Bates**

**(CRD #5848975)**

**Cana Financial Advisors, LLC**

**7914 North Shadeland Avenue, Suite 250**

**Indianapolis, Indiana 46250-2041**

**Phone: 317-578-0041**

**04/18/2012**

**FORM ADV PART 2B**

**BROCHURE SUPPLEMENT**

**This brochure supplement provides information about Robert Bates that supplements the Cana Financial Advisors, LLC's brochure. You should have received a copy of that brochure. Please contact Robert Bates at the phone number above if you did not receive Cana Financial Advisors' brochure or if you have any questions about the contents of this supplement.**

**Additional information about Robert Bates is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 Educational Background and Business Experience**

**Year of Birth:** 1957

### **Formal Education after High School:**

- Purdue University, Bachelor of Science with highest honors, Management with Accounting specialization; 1979

### **Business Background for the Previous Five Years:**

- Cana Financial Advisors, LLC, Member/Chief Compliance Officer, 04/2010 to Present
- Mervis Industries, Inc., Special Projects, 04/2007 to 03/2010
- Crowe Wealth Management, Partner, 01/2003 to 03/2007

## **Item 3 Disciplinary Information**

In February 2012, our firm and Robert Bates entered into a consent agreement, whereby, without admitting or denying any allegations, we paid a penalty as stated in the agreement, to the Indiana Secretary of State who alleged that our firm and Mr. Bates acted as an investment adviser and investment adviser representative, respectively, without being properly registered at various times during 2008 - 2010.

## **Item 4 Other Business Activities**

Mr. Bates is the owner of Cana Financial Advisors, Inc. which provides tax compliance and tax planning, small business consulting, including acquisition and divestiture assistance, family business succession and transition planning. The fees you pay our firm for advisory services are separate and distinct from the fees charged by Cana Financial Advisors, Inc. You are under no obligation, contractually or otherwise, to use Cana Financial Advisors, Inc. for these services.

## **Item 5 Additional Compensation**

Mr. Bates does not receive any additional compensation for providing advisory services beyond the compensation he receives as the Member of Cana Financial Advisors, LLC.

## **Item 6 Supervision**

As Member and Chief Compliance Officer of Cana Financial Advisors, Mr. Bates is not supervised by other persons.

However, our firm has in place written supervisory procedures that are reasonably designed to detect and prevent violations of the securities laws, rules and regulations.



## **Item 7 Requirements for State-Registered Advisers**

Mr. Bates does not have any reportable arbitration claims, has not been found liable in a reportable civil, self-regulatory organization proceeding or administrative proceeding, and has not been the subject of a bankruptcy petition.