

**ITEM 1. COVER PAGE FOR
PART 2A OF FORM ADV:
FIRM BROCHURE
DATED JANUARY, 2012**

CANDOR FINANCIAL SOLUTIONS LLC

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GEORGE PERCHES, CHIEF COMPLIANCE OFFICER

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This brochure provides information about the qualifications and business practices of Candor Financial Solutions LLC. If you have any questions about the contents of this brochure, please contact by telephone at (415) 354-3250 or email at (info@candorfinancialsolutions.com). 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 Candor Financial Solutions LLC also is available on the SEC's website at www.adviserinfo.sec.gov .

Please note that the use of the term “registered investment adviser” and description of Candor Financial Solutions LLC and/or our associates as “registered” does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.

Item 2. Material Changes to Our Part 2A of
Form ADV: Firm Brochure

Candor Financial Solutions LLC is required to advise you of any material changes to our Firm Brochure (“Brochure”) from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure.

Please note that we do not have to provide this information to a client or prospective client who has not received a previous version of our brochure. At this time, there are no material changes to report about our Brochure.

Item 3. Table of Contents

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Item 4. Advisory Business

We specialize in the advisory services. Our assets under management are \$0 as of January, 2012.

A. Description of our advisory firm, including how long we have been in business and our principal owner(s)¹.

We are dedicated to providing individuals and other types of clients with a distinctive array of investment advisory services. Our firm is a limited liability company formed in the State of California. Our firm has been in business as an investment adviser since 2011 and is wholly owned by George Perches.

B. Description of the types of advisory services we offer.

(i) Consulting Projects – The Candor Solution is a project based consulting service whereby we provide clients individualized consulting related to their use of financial services, particularly financial planning and investing. We begin with the understanding that every client is unique. We enquire about the financial details that will help assess their needs and define their objectives. In addition, we explore client preferences and prior experiences with the financial services industry. For clients with an existing financial advisory relationship(s), financial plan or investment portfolio, we review current statements and other documents including their financial plan, historical advisor recommendations, quarterly performance report(s) and investment policy statement, as needed.

As a registered investment advisor, we have a fiduciary responsibility to put our client's interests first. As an independent consultant, we are able to consider alternatives offered throughout the financial services industry including but not limited to registered investment advisers, financial advisors at brokerage firms and self directed investing through discount brokers in our effort to find an appropriate solution for our clients. Through consultation with our clients, we arrive at the initial parameters for the project. The Candor Solution provides clients a specific recommendation if desired or alternatives to consider that are designed to serve their financial service needs. The Solution will include a written summary of the client's situation and project parameters; our firm's recommendations and the rationale for them; recommended advisor and/or investment profiles and contact information where applicable; and a fee analysis that estimates overall costs, savings negotiated on the client's behalf and other comparisons where applicable. Clients then arrange to meet with the recommended advisors and review related materials at their convenience. Throughout their

¹ Please note that: (1) For purposes of this item, our principal owners include the persons we list as owning 25% or more of our firm on Schedule A of Part 1A of Form ADV (Ownership Codes C, D or E). (2) If we are a publicly held company without a 25% shareholder, we simply need to disclose that we are publicly held. (3) If an individual or company owns 25% or more of our firm through subsidiaries, we must identify the individual or parent company and intermediate subsidiaries. If we are a state-registered adviser, on Form ADV Part 2A Page 2, we must identify all intermediate subsidiaries. If we are an SEC-registered adviser, we must identify intermediate subsidiaries that are publicly held, but not other intermediate subsidiaries.

decision making process, clients can consult us on related questions and concerns. Should the client not be satisfied with the Solution within the first 90 days, we will discuss the source of the dissatisfaction and propose an alternate Solution. Our objective is complete client satisfaction.

(ii) Retainer Consulting – Clients that have utilized the Candor Solution have the option of retaining us for ongoing consulting. The scope of these services can be customized to the client’s needs and preferences. We are available to address client questions or concerns and provide proactive advice on an ongoing basis. Should the need arise for the client to reassess their Solution, retainer clients receive necessary recommendations at no additional cost.

(iii) Investment Services – Retainer clients also have access to wholesale/institutional pricing on investment products through their relationship with us. As a registered investment adviser, our firm has preferential access to certain investment management products through the institutional division of discount brokers. Together with additional research and monitoring services provided by us, clients can utilize these products and services to potentially lower their overall costs.

We may provide Investment Services Clients with the following:

- a. Investment Policy.
We may assist our Clients in the preparation, review and evaluation of their investment policies, parameters, restrictions and objectives (collectively hereinafter “investment policy” or “investment policies”) for their Account (i.e., the account(s) being managed by us and/or Portfolio Managers as defined below).
- b. Asset Allocation.
We may assist Clients in the review and establishment of their Account’s asset allocation, execute changes at their request and/or make recommendations to change said allocation as we deem appropriate based upon their investment policy, market conditions and/or other factors.
- c. Comprehensive Performance Evaluation Report.
We may provide Clients with a periodic Evaluation Report of their Account and each portion managed by our firm and/or other Portfolio Managers (i.e., other investment advisers working with us as sub-advisors or co-advisors to Client’s account or accounts). The report shall detail the performance and asset allocation of said Account, along with the relative portion of Client’s Account managed by us and/or each Portfolio Manager (another investment advisor serving as a sub-adviser to our firm or co-advisor to Client). We receive our information from account custodians, broker-dealers, Portfolio Managers, and/or other parties and while such information is believed to be accurate and reliable, we cannot guarantee it. To the extent that erroneous information is provided to our firm by another Portfolio Manager, broker-dealers, account custodians or other parties, we are not responsible for any inaccuracies which are contained in our reports.
- d. Identification and Selection of Portfolio Managers.
We may assist Clients with identifying and selecting Portfolio Managers that are deemed appropriate and consistent with Client’s stated and current investment

policies. Client understands that we make no representations or guarantees regarding the investments, asset allocations, and/or performance of any Portfolio Manager exclusively chosen by Client.

- e. Our Management of Exchange Traded Funds (“ETFs”), Index Funds (“IFs”), Mutual Funds (“MFs”), Alternative Investments (“AIs”) and Other Securities (“OS”).

If appropriate, we may directly manage Client’s separate account(s) comprised of some or all of the following securities ETFs, IFs, MFs, AIs and OS that are consistent with their overall investment policy and objectives. In the event that we decide to directly manage a portion of Client’s separate account, we may do so on a discretionary basis and only with respect to the types of securities outlined and confirmed in Exhibit A of our Client Agreement.

- f. Changes to Portfolio Manager.

In the event that we determine that a Portfolio Manager should be terminated, we will recommend that Client do so and select a new Portfolio Manager.

(iv) Group Engagements – We can be retained for customized projects for corporations or other groups. Projects can involve educational presentations, personalized advice to individuals who are members of the group or a combination of both.

- C. Explanation of whether (and, if so, how) we tailor our advisory services to the individual needs of clients, whether clients may impose restrictions on investing in certain securities or types of securities.

- (i) Individual Tailoring of Advice to Clients:

We are not restricted in our ability to consider any type of financial advisory firm. We can recommend independent or broker affiliated wealth managers, investment advisors, investment managers, financial planners, trust companies as well as self directed investing through discount brokers. Our firm has great flexibility in its ability to tailor advice to client’s needs and preferences.

Our advisory services are also designed to be customized to the client’s needs. For example, should a client as part of their Candor Solution want us to conduct due diligence on a client identified advisor or accompany the client to advisor meetings, the cost of the Candor Solution will be adjusted based on the estimated number of hours and travel required.

- (ii) Ability of Clients to Impose Restrictions on Investing in Certain Securities or Types of Securities:

The imposition of restrictions is considered as a client preference. In those situations, we will seek to recommend Solutions that can accommodate the client restriction.

- D. Participation in wrap fee programs.

We do not offer wrap fee programs.

E. Disclosure of the amount of client assets we manage on a discretionary basis and the amount of client assets we manage on a non-discretionary basis as of January, 2012.

We manage² zero dollars (\$0) on a discretionary basis and zero dollars (\$0) on a non discretionary basis as of January, 2012.

Item 5. Fees and Compensation

We are required to describe our brokerage, custody, fees, and fund expenses so you will know how much you are charged and by whom for our advisory services provided to you. Our fees are generally not negotiable.

A. Description of how we are compensated for our advisory services provided to you.

Our firm is a fee only advisor. Fees vary by the service provided. Our firm does not receive compensation from any source other than client fees as described below.

- (i) Consulting Projects – The Candor Solution is offered on a one-time, project based fee. The service as described in item 4. B. is offered for a fee typically ranging from \$5,000 to \$25,000. Fees for additional customized services such as those described under item 4. C. are determined based on the number of hours involved at a rate of \$500 per hour plus travel, if applicable.
- (ii) Retainer Consulting – Optional, ongoing consulting is available only to those that have utilized the Candor Solution service, for an annual retainer based on the number of hours of service required. The minimum requirement for a retainer relationship is one hour per year at the current rate of \$500 per hour.
- (iii) Investment Services – Wholesale/Institutional investment services are available only to retainer clients and are based on assets under management according to the following fee schedule, subject to a minimum fee of \$1,000 per year:

<u>Assets under management</u>	<u>Annual Percentage of assets charge*:</u>
First \$1,000,000	0.10%
Next \$2,000,000	0.07%
Next \$2,000,000	0.05%
Next \$5,000,000	0.03%
Above \$10,000,000	0.01%

² Please note that our method for computing the amount of “client assets we manage” can be different from the method for computing “assets under management” required for Item 5.F in Part 1A of Form ADV. However, we have chosen to follow the method outlined for Item 5.F in Part 1A of Form ADV. If we decide to use a different method at a later date to compute “client assets we manage,” we must keep documentation describing the method we use and inform you of the change. The amount of assets we manage may be disclosed by rounding to the nearest \$100,000. Our “as of” date must not be more than three months before the date we last updated our Brochure in response to Item 4.E of Form ADV Part 2A.

- (iv) Group Engagements – Pricing is based on the scope of the project as well as travel and other expenses involved.

B. Description of whether we deduct fees from clients' assets or bill clients for fees incurred.

(i) Consulting Projects:

We require payment of fifty-percent (50%) of the consulting fee along with a signed service agreement prior to the commencement of services. The remainder of the fee will be billed directly to you and due to us within thirty (30) days of consulting services being delivered or consultation rendered to you. In all cases, we will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 (six) months.

(ii) Retainer Consulting:

Our firm's annual retainer consulting fee is billed pro-rata on a quarterly basis in arrears. For clients with a managed account, fees will generally be automatically deducted from your managed account*. As part of this process, you understand and acknowledge the following:

- a) Your independent custodian sends statements at least quarterly to you showing all disbursements for your account, including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms;
- c) If we send a copy of our invoice to you, we send a copy of our invoice to the independent custodian at the same time we send the invoice to you;
- d) If we send a copy of our invoice to you, our invoice includes a legend as required by paragraph (a)(2) of Rule 206(4)-2 under the Investment Advisers Act of 1940.**

*In rare cases, we will agree to directly bill clients.

**The legend urges the client to compare information provided in their statements with those from the qualified custodian in account opening notices and subsequent statements sent to the client for whom the adviser opens custodial accounts with the qualified custodian.

Clients that do not have a managed account with us will be billed for retainer consulting services in advance. Those with an annual retainer fee of \$1,000 or less will be billed once a year. All others will be billed quarterly.

- (iii) Investment Services – Our firm's fees are billed on a pro-rata annualized basis quarterly in arrears based on the value of your account on the last day of the quarter. Fees will generally be automatically deducted from your managed account*. As part of this process, you understand and acknowledge the following:

- a) Your independent custodian sends statements at least quarterly to you showing all disbursements for your account, including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms;

- c) If we send a copy of our invoice to you, we send a copy of our invoice to the independent custodian at the same time we send the invoice to you;
- d) If we send a copy of our invoice to you, our invoice includes a legend as required by paragraph (a)(2) of Rule 206(4)-2 under the Investment Advisers Act of 1940.**

*In rare cases, we will agree to directly bill clients.

**The legend urges the client to compare information provided in their statements with those from the qualified custodian in account opening notices and subsequent statements sent to the client for whom the adviser opens custodial accounts with the qualified custodian.

(iv) Group Engagements:

We require payment of fifty-percent (50%) of the fee along with a signed service agreement prior to the commencement of services. The remainder of the fee will be billed directly to you and due to us within thirty (30) days of services being delivered. In all cases, we will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 (six) months.

C. Description of any other types of fees or expenses clients may pay in connection with our advisory services, such as custodian fees or mutual fund expenses.

Our clients will generally incur transaction charges for trades executed in their accounts. These transaction fees are separate from our fees and will be disclosed by the firm that the trades are executed through. Also, clients will pay the following separately incurred expenses, which we do not receive any part of: charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

D. We must disclose if client's advisory fees are due quarterly in advance. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

We charge our advisory fees quarterly in arrears. If you wish to terminate our services, you need to contact us in writing and state that you wish to cancel this Agreement. Upon receipt of your letter of termination, we will proceed to close out your account and charge you a pro-rata advisory fee(s) for services rendered up to the point of termination.

E. Commissionable securities sales.

We do not sell securities for a commission. In order to sell securities for a commission, we would need to have our associated persons registered with a broker-dealer. We have chosen not to do so.

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

We do not charge performance fees to our clients.

Item 7. Types of Clients and Account Requirements

We have the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations.

Our requirements for opening and maintaining accounts or otherwise engaging us: We generally charge a minimum fee of \$5,000 for consulting projects.

- We do not require a minimum account balance. Accounts are subject to a minimum fee of \$1,000 for our asset management service. Clients must have utilized our consulting services in order to access our investment services.

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

A. Description of the methods of analysis and investment strategies we use in formulating investment advice or managing assets.

In reviewing investment advisors and asset managers, we often begin with a review of sales materials, website and regulatory filings. Advisors may be eliminated from consideration at this stage for a variety of reasons including: conflicts of interest, experience, resources, quality and business ethics. For those that warrant a more detailed assessment, we conduct on-site meetings; analyze materials collected from the advisor that may include financial plans and analysis, investment research, asset allocations, quarterly reports and investment performance. We also assess a firm's operations and service. Recommended advisors are monitored on an ongoing basis versus our expectations.

Please note:

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.

B. Our practices regarding cash balances in client accounts, including whether we invest cash balances for temporary purposes and, if so, how.

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through

relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to investment services.

Item 9. Disciplinary Information

We are required to disclose whether there are legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. There are a number of specific legal and disciplinary events that we must presume are material for this Item. If our advisory firm or a management person has been involved in one of these events, we must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in our or the management person's favor, or was reversed, suspended or vacated, or (2) the event is not material. For purposes of calculating this ten-year period, the "date" of an event is the date that the final order, judgment, or decree was entered, or the date that any rights of appeal from preliminary orders, judgments or decrees lapsed.

The SEC and/or State Regulators have not provided us with an exclusive list of material disciplinary events, which need to be disclosed. If our advisory firm or a management person has been involved in a legal or disciplinary event that is not specifically required to be disclosed, but nonetheless is material to a client's or prospective client's evaluation of our advisory business or the integrity of our management, we must disclose the event. Similarly, even if more than ten years has passed since the date of the event, we must disclose the event if it is so serious that it remains currently material to a client's or prospective client's evaluation of our firm or management.

We have determined that our firm and management have nothing to disclose under the aforementioned standard.

Item 10. Other Financial Industry Activities and Affiliations

- A. Our firm or our management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer. The details are as follows:

We have nothing to disclose in this regard.

- B. Our firm or our management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities. The details are as follows:

We have nothing to disclose in this regard.

- C. Description of any relationship or arrangement that is material to our advisory business or to our clients, that we or any of our management persons have with any related person³ listed

³ Our Related Persons are any advisory affiliates and any person that is under common control with our firm. Advisory Affiliate: Our advisory affiliates are (1) all of our officers, partners, or directors (or any person

below. We are required to identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how we address it.

We have nothing to disclose in this regard.

- D. If we recommend or select other investment advisers for our clients and we receive compensation directly or indirectly from those advisers, or we have other business relationships with those advisers, we are required to describe these practices and discuss the conflicts of interest these practices create and how we address them.

We do not receive compensation either directly or indirectly from the advisors we recommend.

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

- A. Brief description of our Code of Ethics adopted pursuant to SEC rule 204A-1 and offer to provide a copy of our Code of Ethics to any client or prospective client upon request.

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts⁴. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical

performing similar functions); (2) all persons directly or indirectly controlling or controlled by us; and (3) all of our current employees (other than employees performing only clerical, administrative, support or similar functions). Person: A natural person (an individual) or a company. A company includes any partnership, corporation, trust, limited liability company ("LLC"), limited liability partnership ("LLP"), sole proprietorship, or other organization.

⁴ For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

- B. If our firm or a related person recommends to clients, or buys or sells for client accounts, securities in which our firm or a related person has a material financial interest (excluding an interest as a shareholder of an SEC-registered, open-end investment company), we must describe our practice and discuss the conflicts of interest it presents.

We have nothing to disclose in this regard.

- C. If our firm or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that our firm or a related person recommends to clients, we are required to describe our practice and discuss the conflicts of interest this presents and generally how we address the conflicts that arise in connection with personal trading.

See Item 11A of this Brochure. Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

- D. If our firm or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for our firm's (or the related person's own) account, we are required to describe our practice and discuss the conflicts of interest it presents. We are also required to describe generally how we address conflicts that arise.

See Item 11A of this brochure. Related persons of our firm may buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling the same securities within 48 hours of buying or selling for our clients. If related persons' accounts are included in a block trade, our related persons will always trade personal accounts last.

Item 12. Brokerage Practices

- A. Description of the factors that we consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

1. Research and Other Soft Dollar Benefits. If we receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), we are required to disclose our practices and discuss the conflicts of interest they create. Please note that we must disclose all soft dollar benefits we receive, including, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

Our firm has an arrangement with Charles Schwab & Co., Inc. and various other Custodians (together “Custodian”). Custodian offers to independent investment Advisers services which include custody of securities, trade execution, clearance and settlement of transactions. We receive some non-soft dollar benefits from Custodian through our participation in the program(s) they offer.

- a. Explanation of when we use client brokerage commissions (or markups or markdowns) to obtain research or other products or services, and how we receive a benefit because our firm does not have to produce or pay for the research, products or services.

As part of the arrangement described in Item 12A1, Custodian also makes certain research and brokerage services available at no additional cost to our firm. These services include certain research and brokerage services, including research services obtained by Custodian directly from independent research companies, as selected by our firm (within specific parameters). None of these services are soft-dollars. Research products and services provided by Custodian to our firm may include research reports on recommendations or other information about, particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by Custodian to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services are used by our firm to manage accounts for which we may have investment discretion. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

- b. Incentive to select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on our clients’ interest in receiving best execution.

As a result of receiving the services discussed in 12A(1)a of this Firm Brochure for no additional cost, we may have an incentive to continue to use or expand the use of Custodian’s services. Our firm examined this potential conflict of interest when we chose to enter into the relationship with Custodian and we have determined that the relationship is in the best interest of our firm’s clients and satisfies our client obligations, including our duty to seek best execution.

Custodian charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Custodian enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Custodian's commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by Custodian may be higher or lower than those charged by other custodians and broker-dealers.

- c. Causing clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up).

Our clients may pay a commission to Custodian that is higher than another qualified broker dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

- d. Disclosure of whether we use soft dollar benefits to service all of our clients' accounts or only those that paid for the benefits, as well as whether we seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

We do not receive soft-dollars. The investment research products and services that may be obtained by our firm will generally be used to service all of our clients.

- e. Description of the types of products and services our firm or any of our related persons acquired with client brokerage commissions (or markups or markdowns within our last fiscal year.

This item is not applicable to our firm as we have not yet completed our first fiscal year.

- f. Explanation of the procedures we used during our last fiscal year to direct client transactions to a particular broker-dealer in return for soft dollar benefits we received.

This item is not applicable to our firm as we have not yet completed our first fiscal year.

2. Brokerage for Client Referrals.

Our firm does not receive brokerage for client referrals. Our firm does not engage in these practices.

3. Directed Brokerage.

- a. If we routinely recommend, request or require that a client directs us to execute transactions through a specified broker-dealer, we are required to describe our practice or policy. Further, we must explain that not all advisers require their clients to direct brokerage. If our firm and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, we are further required to describe the relationship and discuss the conflicts of interest it presents by explaining that through the direction of brokerage we may be unable to achieve best execution of client transactions, and that this practice may cost our clients more money.

Neither we nor any of our firm's related persons have discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected.

Special Considerations for ERISA Clients

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

- b. If we permit a client to direct brokerage, we are required to describe our practice. If applicable, we must also explain that we may be unable to achieve best execution of your transactions. Directed brokerage may cost clients more money. For example, in a directed brokerage account, you may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or you may receive less favorable prices on transactions.

We do not allow client-directed brokerage.

- B. Discussion of whether, and under what conditions, we aggregate the purchase or sale of securities for various client accounts in quantities sufficient to obtain reduced transaction costs (known as bunching). If we do not bunch orders when we have the opportunity to do so, we are required to explain our practice and describe the costs to clients of not bunching.

We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when we believe that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

Item 13. Review of Accounts or Financial Plans

- A. Review of client accounts or financial plans, along with a description of the frequency and nature of our review, and the titles of our employees who conduct the review.

The review of accounts varies by service: i) Consulting Project – As a one-time project, this service does not include further review ii) Retainer Consulting – The minimum service level would involve a simple annual review. More complex or frequent reviews are available based on client needs and preferences. iii) Investment Services – We review the investment managers or funds recommended at least on a quarterly basis. Individualized account reviews are provided under the retainer consulting relationship.

- B. Review of client accounts on other than a periodic basis, along with a description of the factors that trigger a review.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

- C. Description of the content and indication of the frequency of written or verbal regular reports we provide to clients regarding their accounts.

We do not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis for those that subscribe to the Retainer Consulting service.

Item 14. Client Referrals and Other Compensation

- A. If someone who is not a client provides an economic benefit to our firm for providing investment advice or other advisory services to our clients, we must generally describe the arrangement. For purposes of this Item, economic benefits include any sales awards or other prizes.

Our firm may recommend that clients establish brokerage accounts with Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), registered broker-dealer, Member SIPC,

to maintain custody of Clients' assets and to effect trades for their accounts. Our firm is independently owned and operated and not affiliated with Schwab. Our firm may also recommend that Clients establish accounts with firms other than Schwab.

Our firm places trades for its Clients' accounts subject to its duty to seek best execution and its other fiduciary duties. Our firm may use broker-dealers other than Schwab to execute trades for client accounts maintained at Schwab, but this practice may result in additional costs to clients so that we are more likely to place trades through Schwab rather than other broker-dealers. Schwab's execution quality may be different than other broker-dealers.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Some of the products, services and other benefits provided by Schwab may benefit us and may not benefit our firm's client accounts. Our recommendation/requirement that a client place assets in Schwab's custody may be based in part on benefits Schwab provides, and not solely on the nature, cost or quality of custody and execution services provided by Schwab.

Schwab also makes available to our firm other products and services that benefit us but may not benefit clients' accounts. These benefits may include national, regional or specific to our firm, educational events organized and/or sponsored by Schwab Institutional. Other potential benefits may include occasional business entertainment of personnel of our firm by Schwab Institutional personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist us in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of our firm's accounts, including accounts not maintained at Schwab Institutional. Schwab Institutional also makes available to us other services intended to help our firm manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to our firm by independent third parties. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to us. While, as a fiduciary, Our firm endeavors to act in its clients' best interests, our recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefit to our firm of the availability of some of the foregoing products and services and other arrangements and not

solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

As a result of receiving the aforementioned products and services for no cost, we may have an incentive to continue to place Client trades through broker-dealers that offer us products and services. This interest conflicts with the Clients' interest of obtaining the lowest commission rate available. Therefore, our firm must determine in good faith, based on the "best execution" policy stated above that such commissions are reasonable in relation to the value of the services provided by such executing broker-dealers.

From time-to-time our firm may make an error in submitting a trade order on a client's behalf. When this occurs, we may place a correcting trade with the broker-dealer which has custody of the client's account. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should have received the gain, it is not permissible for the client to retain the gain, or our firm confers with the client and the client decides to forego the gain (e.g., due to tax reasons). If the gain does not remain in the client's account and Schwab is the custodian, Schwab will donate the amount of any gain \$100 and over to charity. If a loss occurs greater than \$100, we will pay for the loss. Schwab will maintain the loss or gain (if such gain is not retained in the client's account) if it is under \$100 to minimize and offset its administrative time and expense. Generally, if related trade errors result in both gains and losses in the client's account, they may be netted.

- B. If our firm or a related person directly or indirectly compensates any person who is not our employee for client referrals, we are required to describe the arrangement and the compensation.

We do not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940.

Item 15. Custody

- A. If we have custody of client funds or securities and a qualified custodian as defined in SEC rule 206(4)-2 or similar state rules (for example, a broker-dealer or bank) does not send account statements with respect to those funds or securities directly to our clients, we must disclose that we have custody and explain the risks that you will face because of this.

All of our clients receive at least quarterly account statements directly from their custodians. Upon opening an account with a qualified custodian on a client's behalf, we promptly notify the client in writing of the qualified custodian's contact information. If we decide to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm.

- B. If we have custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to our clients, we are required to explain that you

will receive account statements from the broker-dealer, bank, or other qualified custodian and that you should carefully review those statements.

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

Item 16. Investment Discretion

If we accept discretionary authority to manage securities accounts on behalf of clients, we are required to disclose this fact and describe any limitations our clients may place on our authority. The following procedures are followed before we assume this authority:

Our clients need to sign a discretionary investment advisory agreement with our firm for the discretionary management of their account. This type of agreement may only apply to our investment services clients. We do not take or exercise discretion with respect to our other clients.

Item 17. Voting Client Securities

A. If we have, or will accept, proxy authority to vote client securities, we must briefly describe our voting policies and procedures, including those adopted pursuant to SEC Rule 206(4)-6.

We do not and will not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

However, third party money managers selected or recommended by our firm may vote proxies for clients. Therefore, except in the event a third party money manager votes proxies, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Therefore (except for proxies that may be voted by a third party money manager), our firm and/or you shall instruct your qualified custodian to forward to you copies of all proxies and shareholder communications relating to your investment assets.

Item 18. Financial Information

- A. If we require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, we must include a balance sheet for our most recent fiscal year.

We do not require nor do we solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore we have not included a balance sheet for our most recent fiscal year.

- B. If we are an SEC-registered adviser and have discretionary authority or custody of client funds or securities, or we require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, we must disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

We have nothing to disclose in this regard.

- C. If we have been the subject of a bankruptcy petition at any time during the past ten years, we must disclose this fact, the date the petition was first brought, and the current status.

We have nothing to disclose in this regard.

**ITEM 1: COVER PAGE FOR
PART 2B OF FORM ADV:
BROCHURE SUPPLEMENT
DATED JANUARY, 2012**

GEORGE ROBERT PERCHES

CANDOR FINANCIAL SOLUTIONS LLC

**237 KEARNY STREET #232
SAN FRANCISCO, CALIFORNIA 94108
PHONE NUMBER:
415-354-3250**

GEORGE PERCHES, CHIEF COMPLIANCE OFFICER

WWW.CANDORFINANCIALSOLUTIONS.COM

This brochure supplement provides information about Mr. Perches that supplements our brochure. You should have received a copy of that brochure. Please contact Mr. Perches, Managing Member and Chief Compliance Officer, if you did not receive our firm's brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Perches is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Educational Background and Business Experience

We are required to disclose the following information about Mr. Perches:

George Robert Perches

Year of Birth: 1963

Formal Education after high school:

- San Diego State University; B.S. Business Administration

Business Background (for the past 5 years):

- 03/10 - Present; Candor Financial Solutions LLC; Managing Member and Chief Compliance Officer
- 07/02 - 01/12; Merrill Lynch, Pierce, Fenner & Smith; First Vice President - Investments
- 08/92-07/02; Banc of America Securities LLC/Montgomery Securities;

Licenses and Other Professional Designations:

- 09/93 – Series 63
- 06/93 – Series 65

Item 3 Disciplinary Information

If there are legal or disciplinary events material to your evaluation of Mr. Perches, we are required to disclose all material facts regarding those events.¹

We have nothing to disclose in this regard.

Item 4 Other Business Activities

A. If Mr. Perches is actively engaged in any investment-related business or occupation, including if Mr. Perches is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”), or an associated person of an FCM, CPO, or CTA, we are required to disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

¹ **Note:** Our firm may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, we are not required to disclose it. When we review a legal or disciplinary event involving Mr. Perches to determine whether it is appropriate to rebut the presumption of materiality, we consider all of the following factors: (1) the proximity of Mr. Perches to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If we conclude that the materiality presumption has been overcome, we prepare and maintain a file memorandum of our determination in our records. We follow SEC rule 204-2(a)(14)(iii) and similar state rules.

1. If a relationship between the advisory business and Mr. Perches' other financial industry activities creates a material conflict of interest with you, the SEC requires us to describe the nature of the conflict and generally how we address it.

We have nothing to disclose in this regard.

2. If Mr. Perches receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service ("trail") fees from the sale of mutual funds, we have to disclose this fact. If this compensation is not cash, we are required to explain what type of compensation Mr. Perches receives. We must explain that this practice gives Mr. Perches an incentive to recommend investment products based on the compensation received, rather than on your needs.

We have nothing to disclose in this regard.

- B. If Mr. Perches is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of Mr. Perches' income or involve a substantial amount of Mr. Perches' time, we are required to disclose this fact and must describe the nature of that business. If the other business activities represent less than 10 percent of Mr. Perches' time and income, we may presume that they are not substantial.

We have nothing to disclose in this regard.

Item 5 Additional Compensation

If someone who is not a *client* provides an economic benefit to Mr. Perches for providing advisory services, we are required to generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include Mr. Perches' regular salary. Any bonus that is based, at least in part, on the number or amount of sales, *client* referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

We have nothing to disclose in this regard.

Item 6 Supervision

We are required to explain how we *supervise* Mr. Perches, including how we monitor the advice Mr. Perches provides to *you*. *Our firm has to provide the name, title and telephone number of the person responsible for supervising Mr. Perches' advisory activities on behalf of our firm.*

Mr. Perches is the sole principal, employee and Chief Compliance Officer and as such has no internal supervision placed over him. He is however bound by our firm's Code of Ethics.