

BROGAN FINANCIAL, INC.

8351 E. Walker Springs Lane, Suite 101
Knoxville, TN 37923

(865) 862-6800

www.broganfinancial.com
info@broganfinancial.com

January 10, 2014

This Brochure provides information about the qualifications and business practices of Brogan Financial, Inc. If you have any questions about the contents of this Brochure, you may contact us at (865) 862-6800, or email info@BroganFinancial.com to obtain answers and additional information. Brogan Financial, Inc. is a registered investment advisor with the Securities and Exchange Commission (SEC). Registration of an investment adviser does not imply any level of skill or training. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission.

Additional information about Brogan Financial, Inc. is available on the SEC's website at www.Adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure dated January 10, 2014, contains no material changes regarding the firm. It has been filed to reflect a change in staff and to update the firm's assets under management.

In the future, we will ensure that clients of the firm will receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year.

If you have any questions or concerns regarding the content of this disclosure brochure or should you require a hard copy of this disclosure be sent directly to you, please direct your inquiry to the Chief Compliance Officer at info@broganfinancial.com or by calling the firm's office at (865) 862-6800.

BROGAN FINANCIAL, INC.
PART 2A OF FORM ADV – FIRM BROCHURE

Item 3 – Table of Contents

	<u>Page</u>
Item 1	Cover Page..... i
Item 2	Material Changes..... ii
Item 3	Table of Contents iii
Item 4	Advisory Business..... 1
Item 5	Fees and Compensation..... 3
Item 6	Performance-based Fees and Side-by-Side Management 6
Item 7	Types of Clients 7
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss 8
Item 9	Disciplinary Information 10
Item 10	Other Financial Industry Activities and Affiliations 11
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading..... 12
Item 12	Brokerage Practices 13
Item 13	Review of Accounts 15
Item 14	Client Referrals and Other Compensation 16
Item 15	Custody 17
Item 16	Investment Discretion 18
Item 17	Voting Client Securities 19
Item 18	Financial Information 20

Item 4 – Advisory Business

A Brogan Financial, Inc. (“Brogan Financial” “we” “us” and “Advisors”) is an independent financial planning and investment management firm. We are a Tennessee Corporation registered as an investment advisor under the laws of the Securities and Exchange Commission, with our principal place of business located in Knoxville, Tennessee. Brogan Financial began conducting business as an independent investment firm in 2001 and was registered with the United State Securities and Exchange Commission in 2008. The President, Founder, Chief Investment Officer, and majority owner is Jim Brogan.

B Brogan Financial offers a wide range of investment advisory services to its Clients. Our services include, among other things, providing advice regarding asset allocation and the selection of investments.

Our Client services include:

- Investment Planning
- Income Distribution Planning
- Financial Independence/Retirement Planning
- IRA and Retirement Account Distribution Planning
- Income Tax Planning
- Estate & Wealth Transfer Planning

We also provide financial planning services in connection with our asset management services for all our Clients. In certain limited circumstances, we provide financial planning services as a stand-alone service apart from our asset management services.

C Our advice and services are tailored to the stated objectives of each Client and our account management or supervision is guided by the stated objectives of each Client. In addition, we consider each Client’s risk profile and financial status prior to making any recommendations.

Brogan Financial will prepare a written financial plan for all Clients. The plan includes gathering all information necessary to provide Client with appropriate and agreed upon services, which may include one or more of the following: Budgeting and cash flow planning, disability planning and income protection, debt management, estate planning, business succession planning, retirement planning and investment planning. The plan considers all Client assets, liabilities, goals and objectives. In order to best serve their needs, we encourage our Clients to notify us of any life events or financial changes that could affect their individual financial circumstances and needs.

D We do not participate in or sponsor any wrap fee programs.

- E** Brogan Financial manages \$115,846,100 of Client assets on a discretionary basis and \$5,909,197 of Client assets on a non-discretionary basis. These amounts were calculated as of December 31, 2013.

Item 5 – Fees and Compensation

- A** Fees and compensation for our services are calculated in accordance with “Schedule A” of the Investment Advisory Agreement, which is signed upon the start of an asset management relationship with a Client. Such fees are most commonly paid directly to Brogan Financial from the account by the custodian upon our submission of an invoice to the custodian holding a Client’s account, showing the amount of fees, the value of the Client’s assets on which the fees are based, and the specific manner in which the fees are calculated. Payment of fees may result in the liquidation of Client’s securities if there is insufficient cash in a Client’s account. Copies of the fee invoices will be mailed to Client as required.

Currently, the fee a Client pays is based on the gross value of the Client’s account(s) at the end of each quarter, subtracting any amounts in cash, brokered CD’s and individual investment-grade bonds. This fee is then deducted directly from your investment account(s) managed by Brogan Financial. At least quarterly, the custodian will notify the Client how much has been paid to Brogan Financial for our services.

Effective at the end of the first quarter of 2012, the fee calculation will change and will be based on the average daily balance in a Client’s account for the quarter, subtracting any amounts in cash, brokered CD’s and individual investment-grade bonds . The fee will be deducted directly from the Client’s investment account(s) managed by Brogan Financial. At least quarterly, the custodian will notify the Client how much has been paid to Brogan Financial for our services.

Utilizing the above formula, Clients are charged up to 2.00% annually on the assets managed by Brogan Financial. The actual fee each Client pays is set forth in the Investment Advisory Agreement, is negotiable, and is based on a number of factors, including Client investment strategies, assets under management and time devoted by the advisors at Brogan Financial to the Client’s account(s). The Client bears responsibility for verifying the accuracy of our fee calculations. We reserve the right to modify our fees after we have provided a Client at least 30 days prior written notice.

For purposes of determining value, securities and other instruments traded on a market for which actual transaction prices are publicly reported shall be valued at the last reported sale price on the principal market in which they are traded (or, if there shall be no sales on such date, then at the mean between the closing bid and asked prices on such date). Other readily marketable securities shall be priced using a pricing service or through quotations from one or more dealers.

Fees for financial planning services that are distinct from an investment advisory Client relationship will be charged an hourly rate of up to \$300.00 per hour or a fixed/flat fee. Total fees for financial planning services provided by Brogan Financial will be determined on the complexity of the Client’s financial situation, value of the Client’s estate, along with the time necessary to complete the services.

The fee for the above-referenced separate financial planning services is inclusive of the time and activities we devote in working with a Client's attorney and/or accountant in reaching agreement on solutions, as well as assisting the Client's attorney and/or accountant in the implementation of all appropriate documents. We are not responsible for any attorney or accounting fees charged to Client as a result of the above activities.

- B** As noted in the above section, our fees are generally deducted from Client assets held with an independent custodian, and paid directly to Brogan Financial based on the agreement entered into at the start of the advisory relationship. This fee is deducted the month following the end of each quarter, in arrears.
- C** The independent custodian may charge fees, which are in addition to and separate from the investment advisory service fee that we charge. All brokerage commissions, mutual fund fees and expenses, stock transfer fees, and other similar charges incurred in connection with transactions for the account will be paid out of the assets in the account and are in addition to the investment management fees paid to Brogan Financial.
- D** Generally, we do not require fees to be paid in advance. Fees for asset management service are billed in arrears the month following the end of each quarter. Fees for partial quarters at the commencement or termination of this Agreement will be billed or refunded on a pro-rated basis contingent on the number of days the account was open during the quarter. Quarterly fee adjustments for additional assets received into the account during a quarter or for partial withdrawals will also be provided on the above pro rata basis.

An invoice will be sent for any fees not directly debited from a Client's account(s). All payments are due within 10 days of invoice. Special arrangements may be made with Clients wishing to retain financial planning services on an ongoing basis.

- E** Certain individuals associated with Brogan Financial are also independently licensed to sell insurance. These individuals may also sell U.S. Rare Coins (see Item 10, below).

Insurance related business and the purchase of U.S. rare coins are transacted with advisory Clients, and individuals may receive commissions from these products sold to or bought by Clients. Clients are advised that the fees paid to Brogan Financial for investment advisory services are separate and distinct from the commissions earned by any individual for selling Clients insurance products and/or U.S. rare coins.

The receipt of commissions by individuals associated with the firm may present a potential conflict of interest. As fiduciaries we must act primarily for the benefit of investment advisory Clients. As such, we will only transact insurance related business and the purchases of U.S. rare coins with Clients when fully disclosed, suitable, and appropriate. Further, we must determine in good faith that any commissions paid to our representatives are appropriate. Clients are informed that they are under no obligation to use any individual associated with Brogan Financial for insurance products or services or U.S. rare coins. Clients may use any insurance or brokerage firm or agent or coin broker that they choose.

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

We do not charge any performance-based fees for our services. Accordingly, this Item is not applicable to our firm.

Item 7 – Types of Clients

Brogan Financial provides investment advice and portfolio management to individuals, including high net worth individuals, pension and profit sharing plans, trust, estates, and charitable organizations.

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

A Brogan Financial offers advice on investments, primarily including (but not limited to) the following:

- Equity securities such as:
 - Exchange-listed securities
 - Securities traded over-the-counter
 - Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Investment company securities such as:
 - Variable life insurance
 - Variable annuities
 - Mutual fund shares
- United States government securities
- Options contracts on:
 - Securities
 - Commodities
- Futures contracts on:
 - Tangibles
 - Intangibles
- Interests in partnerships investing in:
 - Real estate
 - Oil and gas interests
- U.S. Rare Coins
- Mutual Funds
- Exchange Traded Funds

Brogan Financial offers a wide range of investment advisory services to its Clients. We primarily engage in fundamental securities analysis for research and review of securities. The main sources of information we rely on to provide advice include financial publications, research materials prepared by others, annual reports, prospectuses, and filings with the Security and Exchange Commission. We also subscribe to various professional publications deemed to be consistent and supportive of our investment philosophy.

The primary investment strategies used to implement investment advice given to Clients include long-term (securities held at least one year) and short-term (securities sold within a year) purchases.

B We will use our best judgment and good faith efforts in rendering services to our Clients. However, we cannot warrant or guarantee any particular level of account performance, or that account will be profitable over time. Not every investment decision or recommendation made by Advisor will be profitable. Clients assume all market risk involved in the investment of account assets under the Investment Advisory Agreement and understand that investment decisions made for this account are subject to various market, currency, economic, political and business risks. Therefore, Clients assume all market risk involved in the investment of account assets and understand that investing in securities involves risk of loss that Clients should be prepared to bear.

Except as may otherwise be provided by The Advisers Act of 1940 or other applicable state or federal law, Brogan Financial is not liable to Clients for:

- ❖ Any loss that Clients may suffer by reason of any investment recommendation made with that degree of care, skill, and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use;
- ❖ Any loss arising from our adherence to a Client's instructions; or
- ❖ Any act or failure to act by a custodian of Client account(s).

Nothing in this Agreement shall relieve us from any responsibility or liability that may arise under state or federal statutes. It is the responsibility of each Client to provide us complete information and to notify us of any changes in financial circumstances or goals.

C We do not limit our recommendations to a particular security therefore this Item is not applicable to our firm.

Item 9 – Disciplinary Information

We are required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of our firm, or the integrity of our management. We have no information to disclose applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Our founder and owner, James (“Jim”) Brogan hosts the weekly radio program *More Living with Jim Brogan* on Knoxville radio station WOKI. The show covers general wealth and health topics for investors nearing or in retirement. All information and comments made during the program are general in nature and in no way is considered or intended to be personalized investment advice.

Mr. Brogan and Investment Advisor Representative Jim Kraeske are independently licensed insurance agents. Insurance products (life, health, and annuities) may be appropriate for a particular client’s financial or investment related needs. Advisory clients are under no obligation to use these products. Compensation provided to insurance agents includes commissions and ongoing fees and are separate from the advisory services of Brogan Financial.

In addition to the above items, Mr. Brogan leads a coaching and mentoring program for other financial advisors through a nationwide study group.

U.S. rare coins may be recommended as part of a client's overall investment portfolio. When a client purchases a rare coin, Brogan Financial will receive a commission for the purchase of the coin portfolio. Brogan Financial conducts extensive due diligence in choosing a broker for U.S. rare coin purchases on behalf of the Client. The price the Client pays for the coin purchase would be the same if the Client went directly to the broker, without the assistance of Brogan Financial.

Other than the activities noted above, we do not have any outside business activities that materially impact our work as a registered investment advisor. Brogan Financial does not recommend or select other investment advisors for our Clients.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

A Brogan Financial has a Code of Ethics which all employees are required to follow. The Code of Ethics outlines proper conduct related to all services provided to Clients. Prompt reporting of internal violations is mandatory. Our chief compliance officer regularly evaluates employee performance to ensure compliance with the Code of Ethics. The Code covers a range of topics that may include: general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code, review and enforcement processes, amendments to Form ADV and supervisory procedures. Current or prospective Clients may request a copy of the firm's Code of Ethics by contacting Chief Compliance Officer at (865) 862-6800 or info@broganfinancial.com.

- B, C** As noted in Items 5(E) and 10 (above), individuals associated with Brogan Financial may transact insurance or securities related business with advisory clients. Conflicts of interest associated with these situations are managed and are disclosed in Item 5(E). Brogan Financial, or individuals associated with our firm, may buy and sell some of the same securities for its own account that we buy and sell for our Clients. In all instances, where appropriate, we will purchase a security for all of its existing accounts for which the investment is appropriate before purchasing any of the securities for his own account and, likewise, when it determines that securities should be sold, where appropriate will cause these securities to be sold from all of its advisory accounts prior to permitting the selling of the securities from its accounts. In some cases, we may buy or sell securities for its own account for reasons not related to the strategies adopted by our Clients.

When we are newly engaged by an investment advisory Client for whom we expect to recommend securities in which Brogan Financial or its principal or those associated with our firm holds a position, we will notify the new Client of any policies in place regarding those associated with our firm trading for their own account. We will disclose to Clients any material conflict of interest relating to our firm, our representatives, or any of our employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

- D** Occasionally, Brogan Financial may recommend, buy and/or sell securities for our personal accounts that we may also recommend for our Client portfolios. There is no conflict of interest or commingling of funds, as the securities are widely held and publicly traded, and we are too small an advisor/investor to affect the market. In all cases, we place the Client's interest ahead of our own.

Item 12 – Brokerage Practices

- A** Clients' assets are held by independent third-party custodians. Clients wishing to implement our investment and asset management advice are free to select any broker they wish and are so informed. In the alternative, Brogan Financial can provide broker recommendations. Such recommendations are not based on any financial arrangement between our firm and the broker.

Brogan Financial may execute transactions with broker-dealers that provide research, seminars and execution services. Subject to Section 28(e) of the Securities Exchange Act of 1934, as amended ("Exchange Act"), Client may pay broker-dealer commissions for agency transactions that are in excess of the amount of commissions charged by other broker-dealers in recognition of their research, seminar and execution services.

Soft dollar arrangements are defined as the receipt of research or other products or services, other than execution, from a broker-dealer or a third party in connection with Client securities transactions. Without such arrangements, we would have to obtain those services and products for cash. However, as a result of receiving such products and services for no cost, we may have an incentive to continue to place Client trades through broker-dealers that offer soft dollar arrangements. This interest may conflict with a Clients' interest

of obtaining the lowest commission rate available. Therefore, we must determine in good faith, based on the “best execution” policy that such commissions are reasonable in relation to the value of the services provided by such executing broker-dealers.

Although Clients may direct us to use a broker-dealer of their choosing, we generally recommend that Clients open brokerage accounts with TD Ameritrade. In recommending broker-dealers, we seek to obtain “best execution,” meaning that we seek to execute securities transactions for Clients so that the total costs or proceeds in each transaction are the most favorable under the circumstances. The factors we consider when evaluating for best execution include:

- Execution capability;
- Commission rate;
- Financial responsibility;
- Responsiveness;
- Custodian capabilities;
- The value of any research services/brokerage services provided; and
- Any other factors that we consider relevant.

However, if the Client selects the broker-dealer of their own choosing, we may be unable to seek best execution of your transactions, and your commission costs may be different than those of our recommended broker-dealers. In addition, we may place your transactions after we place transactions for Clients using our recommended broker-dealers.

As noted above, recommending a broker-dealer can create a conflict of interest. Accordingly Brogan Financial has established the following restrictions in order to ensure its fiduciary responsibilities:

1. A director, officer, associated person, or employee of shall not buy or sell securities for his personal portfolio where his decision is substantially derived, in whole or in part, by reason of his employment unless the information is also available to the investing public or reasonable inquiry. No person of Advisor shall prefer his or her own interest to that of the advisory Client.
2. If we receive separate compensation for effecting transactions on a Client’s behalf such compensation arrangements will be fully disclosed to Client.
3. We require that all employees must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.

- B** We are authorized in our discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and other transactions in the same or similar securities or instruments for other Clients of the Advisor. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the account will be deemed to have purchased or sold its proportionate share of the securities or instruments involved at the average price so obtained.

Item 13 – Review of Accounts

- A** Accounts are reviewed and/or supervised by Jim Brogan or qualified staff members. The frequency of these account reviews is based on the Client's investment objectives, and occurs at least annually. We normally review the underlying portfolios utilized to manage Client accounts on a monthly basis.
- B** Special reviews are conducted when material changes occur, such as a change in a Client's investment objectives, tax considerations, large deposits or withdrawals, large sales or purchases, loss of confidence in corporate management, or changes in the macro-economic climate.
- C** All investment advisory Clients receive written, annual reports on representative investments that we specifically recommend. Advisory Clients also receive account statements from the custodian of their accounts on a monthly basis. In conformity with applicable law, we direct that custodian reporting and confirmations of account activity and any transactions effected for the account be sent to the Client directly.

Financial planning Clients generally do not receive investment reports apart from the financial plan they are initially provided. However, depending on the type of financial planning service requested, we will meet with the Client on a regular basis and discuss changes to their financial plan, including providing written updates as requested.

Item 14 – Client Referrals and Other Compensation

Brogan Financial has no arrangements, written or oral, in which it compensates any individuals or entities for referrals of Clients.

Item 15 – Custody

Client acknowledges that Brogan Financial is only deemed to have custody of Client assets for the sole purpose of debiting advisory fees. Because we do not otherwise have authority (directly or indirectly) to obtain possession of Client funds or securities for any other purpose and shall have no liability to Clients for any loss or other harm to any property in the account, including any harm to any property in the account resulting from the insolvency of the custodian or any acts of the agents or employees of the custodian and whether or not the full amount or such loss is covered by the Securities Investor Protection Corporation ("SIPC") or any other insurance which may be carried by the custodian. Clients understand that SIPC provides only limited protection for any loss of property held by a broker-dealer.

Item 16 – Investment Discretion

Generally, Brogan Financial manages Client accounts with full discretionary authority. This means that we manage we have the authority to determine, without obtaining specific Client consent, the securities bought or sold and the amount of securities bought or sold and commission rates paid. The only restrictions on the above discretionary authority are those set by the Client on a case-by-case basis. Brogan Financial makes it a practice to determine if our Clients wish to have any limitations to our discretionary authority.

Therefore, except as otherwise instructed, we conduct our daily operations under ongoing and continuous discretionary authority to execute its investment recommendations in accordance with our Statement of Investment Policy (or needs analysis documentation utilized to establish Client's investment objectives and suitability), without a Client's prior approval of each specific transaction. Under this discretionary authority, Clients allow us to purchase and sell securities and instruments in their account, arrange for delivery and payment in connection with the foregoing, select and retain sub-advisors, and act on behalf of the Client in most matters necessary or incidental to the handling of their account, including monitoring certain assets.

All transactions in the account are made in accordance with the directions and preferences provided to us by each Client. Clients execute instructions regarding our trading authority as required by each custodian holding Client assets. In some circumstances, Clients grant us non-discretionary authority to execute its investment recommendations in accordance with our Statement of Investment Policy (or similar document used to establish Client's objectives and suitability). Non-discretionary authority requires that we obtain a Client's approval of each specific transaction prior to executing investment recommendations, as well as for the selection and retention of sub-advisors to the account.

Item 17 – Voting Client Securities

Brogan Financial does not to have automatic proxy voting authority for Client securities. Therefore, unless specifically directed otherwise in writing by the Client, we are not authorized to receive and vote proxies on issues held in the account or receive annual reports.

Item 18 – Financial Information

- A** Brogan Financial does not require prepayment of fees.
- B** Brogan Financial has discretionary authority or custody of Client's funds or securities, however, Brogan Financial has no financial commitment which would impair or impede its ability to meet contractual and fiduciary commitments to Clients.
- C** Neither Brogan Financial nor its Principals have ever been the subject of a bankruptcy proceeding.