

Form ADV Part 2 Brochure

Dated August 11, 2014

Kaizen Advisory, LLC

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This Form ADV Part 2 (“Brochure”) provides information about the qualifications and business practices of Kaizen Advisory, LLC, CRD # 171520. If you have any questions about the contents of this Brochure, please contact us at (630) 363-0338. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any other state securities authority.

Addition information about Kaizen Advisory, LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

Kaizen Advisory, LLC is a registered Investment Advisor. However, please note that registration as an Investment Advisor does not imply any level of skill or training.

ITEM 2 - Material Changes

This Brochure, dated August 11, 2014, is a new brochure being filed with the firm's initial SEC registration. As such, it does not contain material changes.

ITEM 3 – Table of Contents

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ITEM 4 – Advisory Business

Kaizen Advisory, LLC (“Kaizen” or “Kaizen Advisory”), Firm CRD Number 171520, is an SEC registered Investment Advisory firm, with one principal owner/officer: Thomas R. Young, Owner, Managing Member, and Chief Compliance Officer. The firm’s main office is located in Wheaton, Illinois, and the firm was founded in 2014.

Kaizen does not provide advisory services to individual client accounts. Kaizen’s only advisory clients are mutual funds (investment companies) or other funds registered or exempt from registration under the Investment Company Act of 1940.

Some of Kaizen’s responsibilities include designing and implementing appropriate policies and investment decisions for each fund; providing overall supervision and management of each fund; conducting due diligence and hiring and supervising any and all sub-advisors hired for each fund; and providing related managerial, administrative, and business services for each fund.

Kaizen does not provide day to day management or investment decisions for any funds, but rather relies on the services of contracted sub-advisors for all trading and investment management decisions, in accordance with the Advisory Agreements it enters into for each fund. Kaizen monitors and supervises the investment decisions and trading activities of each sub-advisor on a regular basis to ensure continued suitability and adherence to fund philosophy. Kaizen and the sub-advisors enter into sub-advisory agreements in which Kaizen pays the applicable sub-advisor a percentage of the advisory fee it receives from each fund. In addition, certain fund expenses related to each fund may be shared between the sub-advisor and Kaizen, as outlined in each sub-advisory agreement.

ITEM 5 – Fees and Compensation

Kaizen receives an annual advisory fee (payable monthly) based on the average daily net assets of each Mutual Fund, and subject to applicable operating expense cap agreements. Specific information regarding the advisory fees, fund expenses, and expense cap provisions can be found in the registration statements for each respective Mutual Fund. All advisory fees are negotiable. Contracts can be cancelled at any time by either party with thirty days prior written notice

Kaizen does not participate in the capital gains of a Mutual Fund by receiving a performance fee in addition to the management or investment advisory fee. The Firm's fees are based solely upon the assets under management of a fund.

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

Kaizen does not charge performance based fees of any kind (those fees that are based upon a share of capital gains or capital appreciation of client assets).

ITEM 7 – Types of Clients

Advisory services are provided only to mutual funds. The firm has no minimum account size.

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

Investing in securities of any kind involves risk of loss that clients must be prepared to bear.

As noted above, this firm will not provide day to day management of the Funds, but will rely on sub-advisors for daily management decisions.

The investment strategies used in managing client accounts may include both long and short term trading, short sales, trading (securities bought and sold within 30 days), margin, and various options strategies, with stocks, bonds, and options the primary products utilized. Because the use of margin and options can entail increased risk, they are only recommended and utilized when consistent with stated fund risk tolerance and investment objectives. The sub-advisors may utilize numerous sources of information when analyzing investments and economic conditions, including various rating services, news reports and industry related journals and research, annual reports, prospectuses, and SEC filings.

ITEM 9 – Disciplinary Information

Firms are required to report any legal or disciplinary events that are material to a client's evaluation of our advisory business and the integrity of our management. There are no legal or disciplinary events that are reportable under this Item for either Kaizen Advisory or any supervised person of Kaizen Advisory.

ITEM 10 – Other Financial Industry Activities and Affiliations

Kaizen Advisory does not have any other financial industry activities or affiliations. However, Mr. Young, the owner of Kaizen Financial, is also the President and owner of Kaizen Financial Distributors, Inc., which will distribute the funds. Kaizen Financial Distributors will receive normal distribution fees when conducting this activity. Mr. Young is also a Registered Representative with a broker/dealer, and is insurance licensed as well. He will receive standard commission when effecting transactions through these outside activities.

ITEM 11 – Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

Code of Ethics:

Kaizen has adopted a Code of Ethics that obligates this firm and its related persons to put the interest of the firm's Clients before their own interests, and to act honestly and fairly in all business dealings. In addition, the Code requires that certain transactions by firm personnel be pre-approved, and that firm personnel report all reportable holdings and transactions to firm management on a regular basis. Clients or prospective clients can always obtain a copy of the firm's Code of Ethics by contacting Mr. Thomas Young, Chief Compliance Officer, at the address or phone number listed on the cover page of this Brochure.

Participation or Interest in Client Transactions and Personal Trading:

Kaizen and our related persons may invest in the same investments and funds that are used by clients. As such, at times the interests of the Advisor or related persons' accounts may coincide with the interests of clients' accounts. However at no time will the Advisor or any related person receive an added benefit or advantage over clients with respect to these transactions. All applicable rules of the Investment Advisors Act of 1940 (the "Act") will be

strictly enforced, and all employee transactions are reviewed on a regular basis to detect and prevent conflicts of interest and front-running. The client's transactions are always completed before the Advisory affiliates enter orders for their own account

Kaizen does not conduct 'Principal' transactions, does not engage in Cross-Trades between advisory clients, and does not participate in Agency Cross Transactions of any kind.

ITEM 12 – Brokerage Practices

Kaizen does not choose brokerage firms. The sub advisor for each fund will be responsible for choosing a suitable broker/custodian firm, and this firm will ensure that the firm chosen is suitable and capable of meeting the needs of the fund. This analysis may include the products offered, the level of service, cost, and the technological capabilities. Kaizen receives no soft dollars from any service provider.

ITEM 13 – Review of Accounts

Kaizen reviews and supervises the sub-advisors portfolio management services to the Mutual Funds on a regular and on-going basis, and provides regular and periodic reports to the Board of Trustees regarding the performance of the chosen sub-advisor.

ITEM 14 – Client Referrals and Other Compensation

Kaizen does not utilize or permit payment in any manner to any solicitors or third-parties, and receives no payment for any client referrals or solicitations.

ITEM 15 – Custody

Kaizen does not maintain Custody of client funds or securities. As such, this Item is not applicable.

ITEM 16 – Investment Discretion

This firm does not conduct direct trading on behalf of the Mutual Funds. Trading authority and related discretion has been delegated to the sub-advisor of the registered fund company. This firm will supervise and monitor the sub-advisor's processes and procedures with respect to compliance with each fund's investment objective, strategies and policies in selecting securities and compliance with the sub-advisor's best execution and trading procedures.

ITEM 17 – Voting Client Securities

Sub-advisors will be responsible for voting proxies and will be responsible for ensuring that all proxy materials are sent directly to them. This firm does not and will not vote proxies on behalf of the funds.

ITEM 18 – Financial Information

Kaizen does not require prepayment of more than \$1,200 in fees per client six months or more in advance – as such, a Balance Sheet is not required and therefore not attached. There is also no known financial condition that is reasonably likely to impair this firm's ability to meet contractual commitments to clients, and the firm has not been the subject of a bankruptcy proceeding.

ITEM 19 – State Registered Advisors

As an applicant SEC registrant, this item is not applicable.