

FC Advisory, LLC

Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of FC Advisory, LLC. If you have any questions about the contents of this brochure, please contact us at 484-887-0452 or by email at: fincoachgroup@lpl.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 FC Advisory, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. FC Advisory, LLC's CRD number is: 170478.

940 East Boot Rd, Suite 101
West Chester, Pennsylvania 19380
484-887-0452
www.financialcoachgroup.com
fincoachgroup@lpl.com

Registration does not imply a certain level of skill or training.

Version Date: 06/01/2015

Item 2: Material Changes

The material changes in this brochure from the last annual updating amendment of FC Advisory, LLC on February 18, 2015 are described below. This list summarizes changes to policies, practices or conflicts of interests only.

- FC Advisory, LLC has transitioned to registration with the United States Securities and Exchange Commission from its prior registration at the state level.

Item 3: Table of Contents

Item 1: Cover Page	
Item 2: Material Changes	i
Item 3: Table of Contents	ii
Item 4: Advisory Business	5
A. Description of the Advisory Firm.....	5
B. Types of Advisory Services.....	5
Portfolio Management Services	5
Selection of Other Advisers.....	5
Financial Planning.....	6
Services Limited to Specific Types of Investments	6
C. Client Tailored Services and Client Imposed Restrictions	6
D. Wrap Fee Programs.....	6
E. Assets Under Management.....	7
Item 5: Fees and Compensation.....	7
A. Fee Schedule.....	7
Portfolio Management Services Fees	7
Selection of Other Advisers Fees	7
Financial Planning Fees	8
Fixed Fees	8
Hourly Fees	8
B. Payment of Fees.....	8
Payment of Portfolio Management Fees.....	8
Payment of Selection of Other Advisers Fees	8
Payment of Financial Planning Fees	9
C. Client Responsibility For Third Party Fees.....	9
D. Prepayment of Fees	9
E. Outside Compensation For the Sale of Securities to Clients.....	9
1. This is a Conflict of Interest.....	9
2. Clients Have the Option to Purchase Recommended Products From Other Brokers	10
3. Commissions are not the Primary Source of Income for FCADV	10
4. Advisory Fees in Addition to Commissions or Markups.....	10
Item 6: Performance-Based Fees and Side-By-Side Management	10
Item 7: Types of Clients	10
Minimum Account Size.....	10
Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss	10

A.	Methods of Analysis and Investment Strategies	10
	Methods of Analysis	10
	Fundamental analysis	11
	Investment Strategies	11
B.	Material Risks Involved	11
	Methods of Analysis	11
	Fundamental analysis	11
	Investment Strategies	11
C.	Risks of Specific Securities Utilized	12
Item 9:	Disciplinary Information	13
A.	Criminal or Civil Actions	13
B.	Administrative Proceedings	14
C.	Self-regulatory Organization (SRO) Proceedings	14
Item 10:	Other Financial Industry Activities and Affiliations	14
A.	Registration as a Broker/Dealer or Broker/Dealer Representative	14
B.	Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor	14
C.	Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests	14
D.	Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections	15
Item 11:	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	15
A.	Code of Ethics	15
B.	Recommendations Involving Material Financial Interests	15
C.	Investing Personal Money in the Same Securities as Clients	15
D.	Trading Securities At/ Around the Same Time as Clients' Securities	16
Item 12:	Brokerage Practices	16
A.	Factors Used to Select Custodians and/or Broker/Dealers	16
1.	Research and Other Soft-Dollar Benefits	16
2.	Brokerage for Client Referrals	16
3.	Clients Directing Which Broker/Dealer/Custodian to Use	17
B.	Aggregating (Block) Trading for Multiple Client Accounts	17
Item 13:	Reviews of Accounts	17
A.	Frequency and Nature of Periodic Reviews and Who Makes Those Reviews	17
B.	Factors That Will Trigger a Non-Periodic Review of Client Accounts	17
C.	Content and Frequency of Regular Reports Provided to Clients	17
Item 14:	Client Referrals and Other Compensation	18
A.	Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)	18
B.	Compensation to Non-Advisory Personnel for Client Referrals	18
Item 15:	Custody	18
Item 16:	Investment Discretion	18

Item 17: Voting Client Securities (Proxy Voting).....	18
Item 18: Financial Information.....	19
A. Balance Sheet	19
B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients	19
C. Bankruptcy Petitions in Previous Ten Years	19

Item 4: Advisory Business

A. Description of the Advisory Firm

FC Advisory, LLC (hereinafter “FCADV”) is a Limited Liability Company organized in the State of Pennsylvania. The firm was formed in February 2014, and the principal owners are Owen Francis Mulhern IV and Jeffrey Mastronardo.

B. Types of Advisory Services

FCADV offers the following services to advisory clients:

Portfolio Management Services

FCADV offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. FCADV creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client’s specific situation.

Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

FCADV evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. FCADV will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

FCADV seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of FCADV’s economic, investment or other financial interests. To meet its fiduciary obligations, FCADV attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and, accordingly, FCADV’s policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is FCADV’s policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent that might have a limited supply, among its clients on a fair and equitable basis over time.

Selection of Other Advisers

FCADV will select third-party investment advisers to manage all or a portion of the client's assets. Before selecting other advisers for clients, FCADV will always ensure those other advisers are properly licensed or registered as an investment adviser. FCADV conducts due diligence on any third-party investment adviser, which may involve one or more of the following: phone calls, meetings and review of the third-party adviser's performance and investment strategy. FCADV then makes investments with a third-party investment adviser by referring the client to the third-party adviser. These investments may be allocated either through the third-party adviser's fund or through a separately managed account managed by such third party adviser on behalf of FCADV's client. FCADV may also allocate among one or more private equity or hedge funds or private equity or hedge fund advisers. FCADV will review the ongoing performance of the third-party adviser as a portion of the client's portfolio. Before selecting other advisers for clients, FCADV will always ensure those other advisers are properly licensed or registered as investment adviser.

Financial Planning

Financial plans and financial planning may include, but are not limited to: investment planning; life insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

Services Limited to Specific Types of Investments

FCADV generally limits its investment advice to mutual funds, equities, fixed income securities, ETFs (including ETFs in the gold and precious metal sectors), real estate funds (including REITs), non-U.S. securities, hedge funds, private equity funds, insurance products including annuities, although FCADV primarily recommends mutual funds and ETFs to a majority of its clients. FCADV may use other securities as well to help diversify a portfolio when applicable.

C. Client Tailored Services and Client Imposed Restrictions

FCADV will tailor a program for each individual client. First, we create clear and appropriate investment goals that align with each client's own personal goals and objectives with an overall financial plan. Second, we establish an asset allocation target that is suitable for each client based upon that objective, and we use diversified investment vehicles that serve to provide balance in each portfolio and seek to minimize vulnerabilities associated with significant swings by any one market segment. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by FCADV on behalf of the client. FCADV may use "model portfolios" together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. FCADV does not participate in any wrap fee programs.

E. Assets Under Management

FCADV has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$130,000,000.00	\$45,000,000.00	December 2014

Item 5: Fees and Compensation

A. Fee Schedule

Portfolio Management Services Fees

Total Assets Under Advisement	Annual Fee
Up to \$499,999	1.30%
\$500,000-\$999,000	1.2%
\$1,000,000 to \$1,999,999	1.10%
\$2,000,000 to \$2,999,999	1.00%
\$3,000,000 to \$4,999,999	0.85%
\$5,000,000 and up	0.75%

These fees are negotiable and the final fee schedule is attached as Exhibit I of the Investment Advisory Contract.

Clients may terminate the agreement without penalty, for full refund of FCADV's fees, within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract with thirty days' written notice.

FCADV bills based on the balance on the first day of the billing period.

Selection of Other Advisers Fees

FCADV selects third-party investment advisers and funds for clients. FCADV will receive its standard fee on top of the fee paid to the third party adviser. This relationship will be memorialized in each contract between FCADV and each third-party adviser. The fees will not exceed any limit imposed by any regulatory agency. The notice of termination requirement and payment of fees for third-party investment advisers will depend on the specific third-party adviser selected.

Financial Planning Fees

Clients may terminate the agreement without penalty, for full refund of FCADV's fees, within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement with upon written notice.

Fixed Fees

The rate for creating client financial plans is between \$2,000 and \$5,000, paid 100% in advance. The fees are negotiable and the final fee schedule will be attached as Exhibit I of the Financial Planning Agreement.

Hourly Fees

The hourly fee for these services is between \$300 and \$450, paid 50% in advance with remainder paid at the completion of the project. The fees are negotiable and the final fee schedule will be attached as Exhibit I of the Financial Planning Agreement.

B. Payment of Fees

Payment of Portfolio Management Fees

Fees are paid quarterly. Portfolio management fees are withdrawn directly from the client's accounts with client's written authorization or may be invoiced and billed directly to the client; clients may select the method in which they are billed. For fees withdrawn directly from client accounts, this advisor must:

- (A) Possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian.
- (B) Send the qualified custodian written notice of the amount of the fee to be deducted from the client's account.
- (C) Send the client a written invoice itemizing the fee upon or prior to fee deduction, including the formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

Payment of Selection of Other Advisers Fees

The timing, frequency, and method of paying fees for selection of third-party managers will depend on the specific third-party adviser selected and will be disclosed to the client prior to entering into a relationship with the third-party advisor. The FCA sends the qualified custodian written notice of the amount of the fee to be deducted from the clients account and that FCA sends the client a written invoice itemizing the fee, including any formulae used to calculate the fee, the time period covers by the fee and the amount of assets under management on which the fee was based.

Payment of Financial Planning Fees

Fixed or Hourly Financial Planning fees are paid via check.

C. Client Responsibility For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by FCADV. Please see Item 12 of this brochure regarding broker/custodian.

D. Prepayment of Fees

FCADV collects its fees in arrears and in advance as described herein.

Refunds for fees paid in advance will be returned within fourteen days to the client via check, or return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be the balance of the fees collected in advance minus the daily rate* times the number of days in the billing period up to and including the day of termination. (*The daily rate is calculated by dividing the annual asset-based fee by 365.)

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

For hourly fees that are collected in advance, the fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

E. Outside Compensation For the Sale of Securities to Clients

Owen Francis Mulhern IV, Jeffrey Mastronardo, James McLaughlin, and Michael Traynor in their roles as registered representatives of LPL accept compensation for the sale of securities to FCADV clients.

1. This is a Conflict of Interest

The supervised persons will accept compensation for the sale of securities or other investment products, including asset based sales charges or service fees from the sale of mutual funds to its clients. This presents a conflict of interest and gives the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of securities or investment products for which the supervised persons receives compensation, they will document the conflict of interest in the client file and inform the client of the conflict of interest.

2. Clients Have the Option to Purchase Recommended Products From Other Brokers

Clients always have the option to purchase FCADV recommended products through other brokers or agents that are not affiliated with FCADV.

3. Commissions are not the Primary Source of Income for FCADV

Commissions are not FCADV's primary source of compensation.

4. Advisory Fees in Addition to Commissions or Markups

Advisory fees that are charged to clients are not reduced to offset the commissions or markups on securities or investment products recommended to clients.

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

FCADV does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

FCADV generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

Minimum Account Size

There is an account minimum of \$500,000, which may be waived by FCADV in its discretion.

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

A. Methods of Analysis and Investment Strategies

Methods of Analysis

FCADV's methods of analysis include fundamental analysis and modern portfolio theory.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Modern portfolio theory is a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully choosing the proportions of various assets.

Investment Strategies

FCADV uses long term trading.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Methods of Analysis

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Modern Portfolio Theory assumes that investors are risk adverse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Investment Strategies

Selection of Other Advisers: Although FCADV will seek to select only money managers who will invest clients' assets with the highest level of integrity, FCADV's selection process cannot ensure that money managers will perform as desired and FCADV will have no control over the day-to-day operations of any of its selected money managers. FCADV would not necessarily be aware of certain activities at the underlying money manager level, including without limitation a money manager's engaging in unreported risks, investment "style drift" or even regulator breach or fraud.

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. They can be of bond "fixed income" nature (lower risk) or stock "equity" nature (mentioned below).

Annuities are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry market conditions and general economic environments.

Fixed income investments generally pay a return on a fixed schedule, though the amount of the payments can vary and include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general the fixed income market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

Exchange Traded Funds (ETFs): An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest, and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

Real Estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

Hedge Funds often engage in leveraging and other speculative investment practices that may increase the risk of investment loss; can be highly illiquid; are not required to provide periodic pricing or valuation information to investors; May involve complex tax structures and delays in distributing important tax information; are not subject to the same regulatory requirements as mutual funds; and often charge high fees. In addition, hedge funds may invest in risky securities and engage in risky strategies.

Private equity funds: In addition to the risks associated with hedge funds, there are risks specifically associated with investing in private equity. Capital calls will be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment.

Non-U.S. securities present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Owen Francis Mulhern IV, Jeffrey Mastronardo, James McLaughlin, and Michael Traynor are registered representatives of LPL.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither FCADV nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

FCADV itself also offers insurance and trust services. These services are offered both to clients utilizing FCADV's advisory services and to non-clients. Insurance and trust are separate and apart from investment advisory services offered by FCADV; these offerings entail a separate additional fee apart from the investment adviser's advisory services. Advisory clients are in no way required to purchase insurance and trust services or products from FCADV and FCADV always acts in the best interest of its advisory clients.

Owen Francis Mulhern IV, Jeffrey Mastronardo, James McLaughlin and Michael Traynor are registered representatives and insurance agents of LPL. From time to time, they will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. FCADV always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to purchase such services or products through any representative of FCADV in such individual's outside capacities.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

FCADV selects third-party investment advisers and allocates among third party private funds. Clients will pay FCADV its standard fee in addition to the standard fee for the advisers to which it directs those clients. This relationship will be memorialized in each contract between FCADV and each third-party advisor. The fees will not exceed any limit imposed by any regulatory agency. FCADV will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. FCADV will ensure that all recommended advisers are licensed or notice filed in the states in which FCADV is recommending them to clients.

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

A. Code of Ethics

FCADV has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

B. Recommendations Involving Material Financial Interests

FCADV does not recommend that clients buy or sell any security in which a related person to FCADV or FCADV has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of FCADV may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of FCADV to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. FCADV will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of FCADV may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of FCADV to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, FCADV will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

Custodians/broker-dealers will be recommended based on FCADV's duty to seek "best execution," which is the obligation to seek to execute securities transactions for a Client on terms that are the most favorable to the Client under the circumstances. The client will not necessarily pay the lowest commission or commission equivalent, and FCADV may also consider the market expertise and research access provided by the payment of commissions, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers to aid in the research efforts of FCADV. FCADV will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian. FCADV recommends LPL.

1. Research and Other Soft-Dollar Benefits

While FCADV has no formal soft dollars program in which soft dollars are used to pay for third party services, FCADV may receive research, products, or other services from its broker/dealer in connection with client securities transactions ("soft dollar benefits") consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended, and may consider these benefits in

recommending brokers. There can be no assurance that any particular client will benefit from any particular soft dollar research or other benefits. FCADV benefits by not having to produce or pay for the research, products or services, and FCADV will have an incentive to recommend a broker dealer based on receiving research or services. Clients should be aware that FCADV's acceptance of soft dollar benefits may result in higher commissions charged to the client.

2. Brokerage for Client Referrals

FCADV receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker/Dealer/Custodian to Use

FCADV will require clients to use a specific broker-dealer to execute transactions.

B. Aggregating (Block) Trading for Multiple Client Accounts

If FCADV buys or sells the same securities on behalf of more than one client, it might, but would be under no obligation to, aggregate or bunch, to the extent permitted by applicable law and regulations, the securities to be purchased or sold for multiple Clients in order to seek more favorable prices, lower brokerage commissions or more efficient execution. In such case, FCADV would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. FCADV would determine the appropriate number of shares to place with brokers and will select the appropriate brokers consistent with FCADV's duty to seek best execution, except for those accounts with specific brokerage direction (if any).

Item 13: Reviews of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

All client portfolio management accounts are reviewed at least quarterly with regard to clients' respective investment policies and risk tolerance levels.

All financial planning accounts are reviewed upon financial plan creation and plan delivery. There is only one level of review for financial plans, and that is the total review conducted to create the financial plan.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Portfolio management reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance). With respect to financial plans, FCADV's services will generally conclude upon delivery of the financial plan.

C. Content and Frequency of Regular Reports Provided to Clients

Each portfolio management client will receive at least quarterly a written report that details the client's account including assets held and asset value, which report will come from the custodian. Each financial planning client will receive the financial plan upon completion.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

FCADV does not receive any economic benefit, directly or indirectly from any third party for advice rendered to FCADV clients.

B. Compensation to Non-Advisory Personnel for Client Referrals

FCADV may enter into written arrangements with third parties for those parties to act as solicitors for FCADV's investment management services. All compensation with respect to the foregoing will be fully disclosed to each Client to the extent required by applicable law. FCADV undertakes to ensure all solicitors are appropriately registered in the proper jurisdictions before utilizing the services of the solicitor in that jurisdiction.

Item 15: Custody

When it deducts fees directly from client accounts at a selected custodian, FCADV will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

Item 16: Investment Discretion

FCADV provides discretionary and non-discretionary investment advisory services to clients. The Investment Advisory Contract established with each client outlines the discretionary

authority for trading. Where investment discretion has been granted, FCADV generally manages the client's account and makes investment decisions without consultation with the client as to what securities to buy or sell, when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, or the price per share. In some instances, FCADV's discretionary authority in making these determinations may be limited by conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to FCADV).

Item 17: Voting Client Securities (Proxy Voting)

FCADV will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

FCADV neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither FCADV nor its management has any financial condition that is likely to reasonably impair FCADV's ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

FCADV has not been the subject of a bankruptcy petition in the last ten years.