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February 4, 2016

**Form ADV Part 2A
Brochure**

This brochure provides information about the qualifications and business practices of Triad Financial Advisors, Inc. If you have any questions about the contents of this Brochure, please contact us at (336) 230-0071 and/or reachus@triadfa.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 Triad Financial Advisors, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Triad Financial Advisors, Inc. is 118583.

Any references to Triad Financial Advisors, Inc. as a registered investment adviser or its related persons as registered Advisory Representatives does not imply a certain level of skill or training.

MATERIAL CHANGES

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At least annually, this section will discuss only specific material changes that are made to the Triad Financial Advisors, Inc. ("Triad") Brochure and provide you with a summary of such changes. Additionally, reference to the date of the last annual update to this Brochure will be provided.

Our last annual amendment occurred on January 22, 2015. The changes made to our Brochure since that time are as follows:

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- Effective January 6, 2016, Patrick Rush is the principal owner of Triad and he will serve as the firm's CEO and Chief Compliance Officer. Patrick joined Triad in 2012 as a Principal and Advisory Representative, and has been in the financial services industry since 1998.
- Triad offers retirement plan consulting.
- Under our Third Party Managed Program Services, your Advisory Representative may recommend the services of a Third Party Manager with which Triad has a solicitation or a subadviser arrangement. Your total advisory fee will consist of Triad's fee plus the Third Party Manager's fee. Depending on the arrangement with the Manager, Triad's portion of the fee may be debited from the account by the Manager and remitted to Triad or Triad may debit the fee directly from your account.
- The advisory agreement for our Third Party Managed Program Services allows your Advisory Representative to utilize their discretion to add, change, or terminate a Manager if he or she feels that a change is warranted.
- The amount of client assets under our asset management services was updated.

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- If desired by the client, donor-advised funds may be used in client portfolios. These assets will receive our asset management services; however, the funds will be excluded from the fee calculation.
- You may terminate asset management services upon 30 days written notice to Triad. Termination date will be 30 days after receipt of written notice. If the date exceeds the current quarterly billing period, the termination date will be the final day of that billing period. Fees are due for the 30-day period following written notice but not to exceed the current quarterly billing period. Your agreement will end and our management will end at the end of the billing period. Pro-rated refunds for unearned fees are calculated from the termination date to the end of the current quarterly billing period.
- Our standard fee for financial planning services is \$100 to \$350 per hour, based on the professional providing the service.
- Under our Retirement Plan Consulting program, clients have the option of paying an annual fee for ongoing services based on a percentage of assets under advisement, a flat fee, or an hourly rate not to exceed \$350 per hour. The fee amount a client will pay is negotiable between the client and the Advisory Representative. Fees may be paid directly from qualified plan assets or may be direct billed, as agreed to between the client and the Advisory Representative.
- In a subadviser relationship under our Third Party Managed Program Services, Triad determines its own fee and separately collects it from the client. In a solicitor arrangement,

Triad Financial Advisors, Inc.

our fee is collected by the Third Party Manager. The compensation we receive will be disclosed to you in our Investment Advisory Agreement and in a separate disclosure document provided by the Third Party Money Manager.

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- Reviews under our Asset Management Program may be conducted by Patrick Rush, CEO of Triad, or any other Advisory Representative of our firm.
- Our related firm, Rush & Associates, Inc., located at the same address as Triad, maintains additional records of client account values. These records are prepared quarterly and sent to clients on a quarterly, semiannual, or annual basis, depending on the determination of need by Patrick Rush, or upon client request.

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- We no longer compensate any individual or firm for client referrals.

You may request a free copy of our updated brochure by contacting us at (336) 230-0071 and/or reachus@triadfa.com.

Additional information about Triad Financial Advisors, Inc. is also available via the SEC's web site www.adviserinfo.sec.gov. The IARD number for Triad Financial Advisors, Inc. is 118583. The SEC's web site also provides information about any persons affiliated with Triad Financial Advisors, Inc. who are registered, or are required to be registered, as investment adviser representatives of Triad Financial Advisors, Inc.

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ADVISORY BUSINESS

Item 4

Triad Financial Advisors, Inc. (hereinafter referred to as “Triad”) is a financial planning and investment advisory firm offering wealth management services customized to your individual needs.

A. Triad Financial Advisors, Inc. is a corporation that has evolved over time. In 1982, the predecessor investment advisory firm, Baron Planning, Inc. was formed. In 1990, the firm’s name was changed to Triad Planning, Inc. A decade later in 2000, the firm’s name was changed to its current name, Triad Financial Advisors, Inc.

Triad was registered with the State of North Carolina from 1982 through 2014. Triad filed for registration with the Securities and Exchange Commission in November 2014. Patrick Rush, CEO and principal owner of Triad, has been in the financial services industry since 1998. Additional business information about Patrick and the Advisory Representatives of Triad is disclosed on the Supplemental Brochures attached to this Brochure.

B. Triad offers the following advisory services, with each service more fully described below:

- Asset Management
- Financial Planning
- Retirement Plan Consulting
- Educational Seminars
- Analysis, Recommendation and Monitoring of Third Party Managed Programs

Asset Management Services

An initial free, no obligation meeting is offered to introduce Triad’s services and fees. Once there is mutual agreement and desire to work together, we will request a number of documents to help understand your overall financial situation.

Triad will gather financial information and history from you such as your retirement and financial goals, investment objectives, investment horizon, financial needs, cash flow analysis, cost of living needs, education needs, savings tendencies, and other applicable financial information in order to provide the investment advisory services requested. All information gathered from you is confidential.

When Triad completes its analysis of your situation, our Advisory Representative will determine an asset allocation customized to your financial goals, objectives and risk tolerance. After evaluating the information gathered by your Advisory Representative, we will customize your portfolio allocation taking into consideration your limitations or restrictions, and your time horizon, financial situation, goals and objectives.

Your Advisory Representative will schedule a meeting with you and present the recommended portfolio allocation. Upon your approval, we will implement the initial portfolio allocation. After we implement the initial portfolio allocation, we will manage your account(s) on a continuous and ongoing basis. We offer this service on both a discretionary and non-discretionary basis. With your written approval, as indicated in the advisory agreement, we will use our own discretion to determine any changes to the account. Unless otherwise expressly requested by you, Triad will

monitor the account and will make changes to the allocation as deemed appropriate by the firm and your Advisory Representative. We will determine the securities to be purchased and sold in the account and will alter the securities holdings from time to time, without prior consultation with you.

If you elect to have a nondiscretionary account, no changes will be made to the allocation of your account without prior consultation with you. Your Advisory Representative must contact you to discuss recommendations for changes within your account. Non-discretionary accounts are subject to certain risks that are not inherent in discretionary accounts. Risks may include, but not be limited to, the risk of missing market opportunities or the risk of your Advisory Representative not being able to move out of the market until you have been contacted to discuss recommendations for changes within your account.

Depending on your specific goals and objectives, we will generally hold positions in your account for a long term, typically more than a year; however, we may recommend trading some securities, for periods of 30 days or less. Your portfolio may be similarly managed and contain similar holdings as compared to other clients' managed accounts.

Our Advisory Representatives primarily use open-ended mutual funds including no-load and load waived mutual funds purchased at net asset value (NAV) and exchange-traded funds (ETFs). However, managed accounts are not exclusively limited to mutual funds and ETFs and may include stocks and bonds, certificates of deposits, government securities, money markets, annuities, direct participation programs, master limited partnerships, REITs, and if desired by the client, donor-advised funds.

Transactions in the account, account reallocations and rebalancing may trigger a taxable event, with the exception of IRA accounts and other qualified retirement accounts.

As further described below, Triad has entered into a relationship to offer you asset management services through the Schwab Advisor Services division of Charles Schwab & Co., Inc. ("Schwab"). There is no affiliation between Triad and Schwab. If you select another brokerage firm for custodial and/or brokerage services, you will not be able to receive asset management services from Triad.

Please be aware that you are under no obligation to purchase products or services recommended by us or members of our firm in connection with providing you with any advisory service that we offer.

Financial Planning Services

Triad provides financial planning services based on your financial and tax status, age, risk tolerance and investment objectives. Depending upon your needs, our advice may include topics such as:

- Tax planning analysis
- Estate planning analysis
- Business planning
- Retirement planning
- Education planning
- Budgeting and cash flow

- Fringe benefit analysis
- Investment analysis

Our services may be broad or may be focused on one or more topics to address your unique situation.

The financial planning process will begin with an initial complimentary consultation to assess if we can help you with your specific needs. If you decide to engage us for services, you will be required to sign our advisory agreement outlining the relationship and specifying our fee.

At your request, Triad will prepare a written financial plan and present the analysis of your situation along with our recommendations for steps to be taken to assist you to work toward your financial goals.

The Plan is based on your financial situation at the time and on the financial information you disclosed to our Advisory Representative. You need to be aware that certain assumptions may be made with respect to interest and inflation rates as well as the use of past trends and performance of the market and economy. However, past performance is in no way an indication of future performance. Triad cannot offer any guarantees or promises that your financial goals and objectives will be met. Further, you must continue to review the plan and update the plan based upon changes in your financial situation, goals, or objectives or changes in the economy. If your financial situation, investment goals or objectives change, you must notify Triad promptly of the changes. You are advised that the advice offered by Triad may be limited and is not meant to be comprehensive. Based on your specific needs or situation, you may need to seek the services of other professionals such as an insurance adviser, attorney and/or accountant.

You are not obligated to implement planning advice through Triad or your Advisory Representative. If you do choose to implement the plan with our Advisory Representative, they may receive commissions in their separate capacity as an insurance agent or other compensation in addition to the advisory fee you paid for the planning services.

Retirement Plan Consulting

Triad offers consulting services to qualified retirement plans which may be ongoing or on a one-time basis. We assist plan sponsors with their fiduciary duties and provide individualized advice based upon the particular needs of the plan and/or plan participants regarding investment management matters, such as:

- Investment Policy Statement support
- Investment selection and monitoring
- Overall portfolio composition
- Participant advice programs

Triad also provides discretionary pension consulting services where it assists sponsors of self-directed retirement plans with the selection and/or monitoring of investment alternatives (generally open-end mutual funds) from which plan participants may choose in self-directing the investments for their individual plan retirement accounts. In addition, Triad provides participant education

designed to assist participants in identifying the appropriate investment strategy for their retirement plan accounts. Triad and the plan sponsor will sign a Retirement Plan Consulting Agreement specifying the terms and conditions of the engagement.

Educational Seminars

Triad provides seminars on various financial planning topics. The seminars are generally provided to clubs, civic groups, individuals, or other interested parties. They are sometimes provided to companies for selected employee groups.

Analysis, Recommendation and Monitoring of Third Party Managed Program Services

If appropriate, your Advisory Representative will qualify you for investment in certain Third Party Management services. In order to assist you in the selection of a Third Party Manager, your Advisory Representative will gather information from you about your financial situation, investment objectives, and reasonable restrictions you may want to impose on the management of your account. Upon review of that information, your Advisory Representative will recommend the services of a Third Party Manager with which Triad has a solicitation or a subadviser arrangement. We will assist you with the completion of documents in order to utilize the services of the Manager. Your total advisory fee will consist of Triad's fee plus the Third Party Manager's fee. Depending on the arrangement with the Manager, Triad's portion of the fee may be debited from the account by the Manager and remitted to Triad or Triad may debit the fee directly from your account.

Your Advisory Representative will periodically review any reports provided to you and monitor the performance of your account. Based on the terms of your advisory agreement, the Advisory Representative may, utilizing their discretion, add, change or terminate a Manager if he or she feels that a change is warranted. Additionally, we will contact you at least annually to review your financial situation and objectives; communicate information to the Third Party Manager managing the account as necessary and will assist you in understanding and evaluating the services provided by the Manager. You are expected to notify your Advisory Representative of any changes in your financial situation, investment objectives or account restrictions you would like to place.

C. We tailor the advisory services we offer to your individual needs. You may impose restrictions and/or limitations on the investing in certain securities or types of securities. We will ask you to complete an account information form/data gathering questionnaire to assist us with obtaining information about your financial situation and history. Additionally, one or more of our Advisory Representatives will meet with you and conduct an interview and data gathering session to continue the due diligence process. The information gathered by Triad will assist the firm in providing you with the requested services and customize the services to your financial situation. Depending on the services you have requested, we will gather various financial information and history from you including, but not limited to:

- Retirement and financial goals
- Investment objectives
- Investment horizon
- Existing portfolio statements, including retirement account information
- Financial needs

- Tax bracket information
- Cash flow analysis
- Cost of living needs
- Savings tendencies
- Other applicable financial information required by our Advisory Representative in order to provide the investment advisory services you have requested.

D. We do not offer any wrap fee programs.

E. As of December 31, 2015, we had approximately \$422.1 million of client assets under our discretionary management and \$16.7 million of client assets under our non-discretionary management.

General Information

The investment recommendations and advice offered by Triad and your Advisory Representative are not legal advice or accounting advice. You should coordinate and discuss the impact of financial advice with your attorney and/or accountant. Our primary goal is to help our clients identify and pursue their financial goals, thereby enhancing the overall quality of their lives.

FEES AND COMPENSATION

Item 5

Asset Management Services

A. Our fees are negotiable and are not based on a share of capital gains or capital appreciation of the funds or any portion of the funds in your account.

The Fee Schedule is as follows:

Account Size	Maximum Annual Fee
First \$1,000,000	1.00%
Plus, on assets over \$1,000,000 but \$2,500,000 or less	0.75%
Plus, on assets over \$2,500,000 but \$10,000,000 or less	0.50%
Plus, on assets over \$10,000,000	0.35%

For purposes of the fee calculations outlined above, all accounts owned by the household will be aggregated together to determine the maximum annual rate. Generally, all accounts will have assets covering 6-12 months of fees invested in money market shares. Additionally, for accounts taking regular monthly withdrawals, an amount equal to 6-12 months of the withdrawals will be invested in money market shares.

We sometimes make exceptions to our general fee schedule under certain circumstances (e.g., responsibilities involved; accounts or groups of accounts which are expected to have significant capital additions in the future; anticipated future earning capacity; related accounts; account composition; pre-existing client; account retention; pro bono activities, etc.). In such cases, lower or

higher fees or different payment arrangements can be negotiated with each client separately and will be described in the client's Investment Advisory Agreement.

If desired by the client, donor-advised funds may be used in client portfolios. These assets will receive our management services; however, the funds will be excluded from the fee calculation.

You may make additions to the account or withdrawals from the account, provided the account continues to meet minimum account size requirements. Fee adjustments will be made for partial withdrawals and additional deposits within a billing period if they exceed \$250,000 after the initial establishment of the account. No fee adjustments will be made during the quarter for account appreciation or depreciation.

B. If the account is established or closed during the middle of a month, you will pay a pro-rated portion of the advisory fee based upon the number of days the account was under Triad's management. You may authorize us to deduct the asset management fee directly from your account. You will need to grant Triad the authorization to debit your fee. The custodian will provide you with a quarterly statement that lists the total fees deducted from the account as well as all transactions that were conducted in the account that quarter.

C. In addition to the advisory fees above, you will pay transaction fees for securities transactions executed in your account in accordance with the custodian's transaction fee schedule. You may also pay other fees associated with maintaining the account. These fees are not charged by Triad and are charged by the product sponsor, or account custodian. Triad does not share in any portion of these fees. Additionally, you may pay your proportionate share of the fund's management and administrative fees as well as the mutual fund adviser's fee of any mutual fund they purchase. These advisory fees are not shared with Triad and are compensation to the fund manager. You should read the mutual fund prospectus for complete information.

D. The asset management fee is billed quarterly in advance. Fees will be based on the value of the account on the last business day of the previous calendar quarter. If your account does not contain sufficient funds to pay the advisory fees, we have the limited authority to sell or redeem securities in sufficient amounts to pay advisory fees. Except for ERISA and IRA accounts, you may reimburse your account for advisory fees paid to Triad.

Fee calculation example for a \$1,250,000 account for 2nd quarter (April, May and June):

- $\$1,000,000 \times 1.0\% = \$10,000.00$
- $\$250,000 \times 0.75\% = \$1,875.00$

Total $\$11,875.00$ divided by 365×91 days = **Quarterly Fee is \$2,960.62**

Triad may change the above fee schedule upon 30-days prior written notice to you.

E. In addition to Triad's advisory fee, you should also be aware that the products we utilize within your portfolio will also charge fees (i.e., mutual fund expense ratios). Such fees are not shared with Triad and are compensation to the fund managers.

For additional information, please refer to Item 12 that describes the factors that Triad considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation.

As stated above, we will primarily recommend open-ended mutual funds including no-load and load waived mutual funds purchased at net asset value (NAV) and ETFs. While certain products may pay 12b-1 fees, Triad will not receive these fees. Where applicable and for those accounts under its custody, Schwab will retain the 12b-1 fees.

You may purchase the securities recommended by Triad directly or through other advisory representative not affiliated with Triad.

Termination Provisions

You may terminate any asset management services obtained from Triad, without penalty, upon verbal or written notice within five (5) business days after entering into the advisory agreement with Triad. You will be responsible for any fees and charges incurred from third parties as a result of maintaining the account such as transaction fees for any securities transactions executed and account maintenance or custodial fees. Thereafter, you may terminate investment advisory services upon 30 days written notice to Triad. Termination date will be 30 days after receipt of written notice. If the date exceeds the current quarterly billing period, the termination date will be the final day of that billing period. Fees are due for the 30-day period following written notice but not to exceed the current quarterly billing period. Your agreement will end and our management will end at the end of the billing period. Pro-rated refunds for unearned fees are calculated from the termination date to the end of the current quarterly billing period.

Additional Fees and Expenses

Mutual fund investments in the programs that we offer are no-load or load at NAV. Your mutual fund investments may be subject to early redemption fees, 12b-1 fees and mutual fund management fees as well as other mutual fund expenses. These fees are in addition to the fees and expenses referenced above. Please review the mutual fund prospectus for full details.

There are additional fees relating to IRA accounts that you may incur. You will find these fees disclosed in the account application paperwork provided to you associated with these accounts.

In addition to providing advisory services, our Advisory Representatives may sell you insurance products in their capacity as licensed insurance agents. We will receive additional compensation in connection with this activity and the amount of compensation will depend on the type of product purchased. We will have a greater financial incentive to sell certain products as opposed to others. While our sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain insurance products and are encouraged to ask us about any conflict present.

Please be aware that you are under no obligation to purchase products or services recommended by us or members of our firm in connection with providing you with any advisory service that we offer.

Financial Planning Services

Fees for planning services are strictly for planning services. You may pay fees for additional services obtained such as asset management and/or commissions for products purchased such as insurance.

Triad offers financial planning services on an hourly or on a fixed fee basis. Fees are negotiable and will depend on several factors including time spent with us, number of meetings, complexity of your situation, amount of research, services requested and staff resources. Our standard fee is from \$100 to \$350 per hour, based on the professional providing the service. This is payable upon your receipt of our invoice. You agree to pay all fees within 30 days of receipt of an invoice.

Fixed fees will vary and generally range from \$500 to \$5,000 payable one-half (1/2) upon execution of the advisory agreement with the balance due upon presentation of the plan.

Termination Provisions

You may terminate planning services obtained from Triad, without penalty, with written notice within five (5) business days after entering into the advisory agreement with Triad. Thereafter, you may terminate planning services with written notice to Triad. You are responsible for any time we spend providing you advisory services or analyzing your situation. You will receive a final invoice or refund based on the amount of time we devoted to your situation prior to termination.

Once the financial plan and/or advisory service is provided to and accepted by you, that service is deemed to be completed.

Retirement Plan Consulting

The Retirement Plan Consulting program provides clients with the option of paying an annual fee for ongoing services based on a percentage of assets under advisement, a flat fee, or an hourly rate not to exceed \$350 per hour. The fee amount a client will pay is negotiable between the client and the Advisory Representative. Fees may be paid directly from qualified plan assets or may be direct billed, as agreed to between the client and the Advisory Representative.

Educational Seminars

Fees may be charged for seminars given to individuals, clubs, civic groups or employee groups. When fees are charged, they are negotiable and will not exceed \$500/hour of presentation time. They may also include fees for preparation time.

Analysis, Recommendation and Monitoring of Third Party Managed Program Services

Compensation in connection with Third Party Managed Program services generally consists of:

- i) management fees paid to Third Party Manager; ii) management fees paid to us; iii) transaction costs – if applicable – which may be paid to purchase and sell such securities; and
- iv) custody fees.

For more complete fee details, please see our Investment Advisory Agreement and the Money Manager's disclosure brochure, investment advisory contract, and account opening documents. We receive compensation based on our agreement with the Third Party Advisory Program for

introducing you to the Third Party Manager and for certain ongoing services we provide you. This compensation will be disclosed to you in our Investment Advisory Agreement and in a separate disclosure document provided by the Third Party Money Manager. In a solicitor arrangement, our fee is collected by the Third Party Manager and is typically equal to a percentage of the investment advisory fee charged by the Third Party Manager or a fixed fee.

In a subadviser relationship, Triad determines its own fee and separately collects it from the client.

Differences in compensation paid by Third Party Managers may create an incentive for Advisory Representatives to recommend one Manager over another. The Manager must be appropriately licensed as an Investment Adviser with the SEC or states in which they conduct business. If a “wrap fee” program is not selected, clients may incur fees in addition to those charged by the Third Party Manager such as transaction fees. If a “wrap fee” program is selected, the client will also receive the Form ADV 2A Brochure Appendix 1 provided by the sponsor of the program.

PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT Item 6

This section is not applicable to Triad since Triad does not charge performance based fees.

TYPES OF CLIENTS Item 7

Triad’s services are geared toward both high-net worth (i.e., clients with a net worth of more than \$2,000,000 or having at least \$1,000,000 in assets under our management upon entering into a contract with Triad) and non-high-net worth individuals, trusts, estates, charitable organizations, corporations or other business entities.

The minimum investment required in our Asset Management Program is generally \$100,000. Accounts below these minimums may be accepted on an individual basis at our discretion. Such circumstances may include, but not be limited to, 1) additional assets will soon be deposited or 2) the client has other accounts with Triad. You should be aware that performance may suffer due to difficulties with diversifying smaller accounts and due to risk controls potentially being compromised. Performance of smaller accounts may vary from the performance of accounts with more dollars invested since fluctuations in the market may affect smaller accounts more.

METHODS of ANALYSIS, INVESTMENT STRATEGIES and RISK of LOSS Item 8

A. Triad takes a long-term disciplined investment approach, emphasizing asset allocation strategies and diversification to help reduce risk. We use data from various sources, on a subscription basis, to track performance of mutual funds and money managers. These sources may use fundamental and technical analyses in their research.

B. Investing in securities involves risk of loss, including the potential loss of the principal money you are investing. Therefore, your participation in any of the management programs offered by Triad requires you to be prepared to bear the risk of loss as well as the fluctuating performance of your accounts. Market values of investments will always be subject to fluctuations and loss of principal regardless of prudent efforts to minimize risk via asset allocation and diversification.

Investment strategies and recommendations may be based upon consideration of any of the following:

- Diversification - for the purpose of balancing risk while maintaining the possibility of gain; or
- Risk Factors - including the risk of capital loss (market risk) and the risk of loss of purchasing power (inflation risk), and the client's understanding of, and financial ability to bear such risks; or
- Asset Balance - taking into consideration short-and-long-term liquidity needs, balancing of lesser and greater risk approaches, and combining income, growth, and safety concepts; or
- Discipline - emphasizing commitment and follow through over a reasonable period of time in order to permit the investment plan or recommendation to achieve the intended result; or
- Income Tax Considerations - although income tax considerations are important, they should not replace economic benefits as the principal determinant of investment decisions.

We do not represent, warrant or imply that the services or methods of analysis we use can or will predict future results, successfully identify market tops or bottoms or insulate you from losses due to major market corrections or crashes. Past performance is no indication of future performance. No guarantees can be offered that your goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by Triad or our Advisory Representatives will provide a better return than other investment strategies.

C. As stated above, Triad primarily uses mutual funds in client portfolios. The risks with mutual funds include the costs and expenses within the fund that can impact performance, change of managers and/or the fund straying from its stated investment objective. Open ended mutual funds do not typically have a liquidity issue and the price does not fluctuate throughout the trading day. Mutual fund fees are described in the fund's prospectus, which the custodian mails directly to the client following any purchase of a mutual fund that is new to the client's account. In addition, a prospectus is available online at each mutual fund company's Web site. At the client's request at any time, Triad will direct the client to the appropriate Web page to access the prospectus.

DISCIPLINARY INFORMATION

Item 9

There is no reportable disciplinary information required for Triad or its management persons that is material to your evaluation of Triad, its business or its management persons.

OTHER FINANCIAL INDUSTRY ACTIVITIES and AFFILIATIONS

Item 10

A. , B. Triad does not have a related person who is a: broker/dealer or other similar type of broker or dealer; investment company or other pooled investment vehicle, other investment adviser or financial planner; futures commission merchant or commodity pool operator; banking or thrift institution; accountant or accounting firm; lawyer or law firm; insurance company or agency; pension consultant; real estate broker or dealer; or sponsor or syndicator of a limited partnership.

C. Neither Triad nor its management persons have a relationship with any of the following entities: broker/dealer, municipal securities dealer, or government securities broker/dealer, investment company or other pooled investment vehicle, other investment adviser or financial planner, futures commission merchant, commodity pool operator or commodity trading advisor, banking or thrift

institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer or sponsor syndicator of limited partnerships.

Advisory Representatives are licensed with various insurance companies. Commissions may be earned if you purchase insurance products through them. You are under no obligation to purchase insurance products or services through your Advisory Representative. While insurance business is not a significant business to the Advisory Representatives, and they do not concentrate resources toward the business, because of the conflict of interest in having you purchase insurance products through them, this disclosure is provided to you.

Triad attempts to mitigate the conflicts of interest relating to the potential receipt of commissions by providing you with these disclosures. Further, you are encouraged to consult other professionals regarding the implementation of your financial or retirement plan.

Triad and its Advisory Representatives are not actively engaged in any other financial industry entity.

D. As noted in Item 4B above, Triad recommends the services of Third Party Managers.

**CODE of ETHICS, PARTICIPATION or INTEREST in CLIENT TRANSACTIONS and
PERSONAL TRADING**

Item 11

Code of Ethics

A. Triad has a fiduciary duty to you to act in your best interest and always place your interests first and foremost. Triad takes seriously its compliance and regulatory obligations and requires all staff to comply with such rules and regulations as well as our policies and procedures. Further, we strive to handle your non-public information in such a way to protect information from falling into the hands of anyone who has no business reason to know such information. We provide you with our Privacy Policy which details our procedures for handling your personal information. Triad maintains a code of ethics for its Advisory Representatives, supervised persons and office staff. The Code of Ethics contains provisions for standards of business conduct in order to comply with federal securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about your transactions. Further, our Code of Ethics establishes our firm's expectation for business conduct. A copy of our Code of Ethics will be provided to you upon request.

B. Neither Triad nor its associated persons recommends to clients or buys or sells for client accounts any securities in which we have a material financial interest.

C. Triad and its associated persons may buy or sell securities identical to those securities recommended to you. Therefore, Triad and/or its associated persons may have an interest or position in certain securities that are also recommended and bought or sold to you. They will not put their interests before your interest. Neither Triad nor any associated person may trade ahead of you or trade in such a way to obtain a better price for themselves than for you or other clients.

D. Triad is required to maintain a list of all securities holdings for its associated persons and develop procedures to supervise the trading activities of associated persons who have knowledge of

your transactions and their related family accounts at least quarterly. Further, associated persons are prohibited from trading on non-public information or sharing such information.

You have the right to decline any investment recommendation. Triad and its associated persons are required to conduct their securities and investment advisory business in accordance with all applicable Federal and State securities regulations.

BROKERAGE PRACTICES

Item 12

A. The Custodian and Brokers We Use

Triad does not maintain custody of your assets that we manage, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see *Item 15 – Custody*, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker dealer or bank. We recommend that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when instructed. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so. If you do not wish to place your assets with Schwab, then you will not be able to receive asset management services from TFA. Not all advisers require their clients to use a particular broker-dealer or other custodian selected by the adviser. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account as described below, however Triad elects not to exercise this option and places all trades through Schwab. (see “Your Brokerage and Custody Costs.”)

How We Select Brokers/Custodians

We seek to recommend a custodian/broker who will hold your assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit us, as discussed below (see “*Products and Services Available to Us From Schwab*”)

Your Brokerage and Custody Costs

For our clients' accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Schwab's commission rates applicable to our client accounts were negotiated based on the condition that our clients collectively maintain a total of at least \$250,000,000 of their assets in accounts at Schwab. This commitment benefits you because the overall commission rates you pay are lower than they would be otherwise. In addition to commissions, Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute all trades for your account. We have determined that having Schwab execute all trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see "*How We Select Brokers/Custodians*").

Products and Services Available to Us From Schwab

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab's business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage services — trading, custody, reporting, and related services—many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services generally are available on an unsolicited basis (we don't have to request them) and at no charge to us. Following is a more detailed description of Schwab's support services.

Services That Benefit You. Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Services That May Not Directly Benefit You. Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

Services That Generally Benefit Only Us. Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

Our Interest in Schwab's Services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services so long as our clients collectively keep a total of at least \$10 million of their assets in accounts at Schwab. Beyond that, these services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The \$10 million minimum may give us an incentive to recommend that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "*How We Select Brokers/Custodians*") and not Schwab's services that benefit only us.

From time-to-time, Triad may make an error in submitting a trade order on your behalf. When this occurs, we will place a correcting trade with Schwab. If an investment gain results from the correcting trade, the gain will remain in your account unless the same error involved other client account(s) that should have received the gain, it is not permissible for you to retain the gain, or we confer with you and you decide to forego the gain (e.g., due to tax reasons). If the gain does not remain in your account, Schwab will donate the amount of any gain \$100 and over to charity. If a loss occurs greater than \$100, Triad will pay for the loss. Schwab will maintain the loss or gain (if such gain is not retained in your 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 your account, they may be netted.

B. Due to the individual management of client accounts, typically Triad does not aggregate the purchase or sale of securities for various client accounts. However, when appropriate, Triad will trade using "block trades" or aggregating orders of one security for several accounts at once. This results in an average price/share for all accounts included in the trade. Aggregated orders will not reduce the transaction costs to participating clients. We conduct aggregated transactions (block trades) in a manner designed to ensure that no participating client is favored over another client. If the aggregate order is not filled in its entirety when possible, securities purchased or sold in an aggregated transaction will be allocated pro-rata to the participating client accounts in proportion to the size of the orders placed for each account.

REVIEW of ACCOUNTS

Item 13

A. If you are participating in the Asset Management Program, we suggest you request a review no less frequently than-annually or as agreed by you and your Advisory Representative as some clients may need and request reviews as frequently as quarterly. You may request more frequent reviews and may set thresholds for triggering events that would cause a review to take place. You are advised that you must notify your Advisory Representative promptly of any changes to your financial goals, objectives or financial situation as such changes may require him to review the portfolio allocation and make recommendations for changes. Reviewers are Patrick Rush, CEO of Triad, or any other Advisory Representative of our firm.

B. Client reviews and portfolio adjustments may be considered when Triad revises its view of a security or asset class relative to other opportunities. Certain economic and market conditions, along with a change in client objectives and risk tolerance may trigger a review of accounts by an Advisory Representative.

C. You will be provided statements at least quarterly directly from the account custodian. Additionally, you will receive confirmations of all transactions occurring directly from the account custodian. A related firm of the applicant, Rush & Associates, Inc., located at the same address as Triad, maintains additional records of client account values. These records are prepared quarterly. They are sent to clients on a quarterly, semiannual, or annual basis, depending on the determination of need by Patrick Rush, or upon your request. You should compare the report with statements received directly from the account custodian. Should there be any discrepancy the account custodian's report will prevail.

If you are participating in Financial Planning Services, we will periodically review your financial plan in light of your identified needs and objectives. We recommend a full review of financial plans every three to five years. Other than the initial plan or analysis, there will be no other reports issued.

CLIENT REFERRALS and OTHER COMPENSATION

Item 14

A. Product vendors recommended by Triad may provide monetary and non-monetary assistance with client events, provide educational tools and resources. We do not select products as a result of any monetary or non-monetary assistance. The long term performance of a product is our first and foremost concern. Triad's due diligence of a product does not take into consideration any assistance it may receive. While the receipt of products or services is a benefit for you and us, it also presents a conflict of interest.

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisers whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see *Item 12 – Brokerage Practices*). The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

Our choice of custodian may be influenced by the services that the custodians available to us provide but do not necessarily benefit your account. Such services include software and technology that assist in the management and administration of your account and a mix of services to manage and

further develop our business. A conflict of interest exists because when we evaluate whether to recommend that you custody your assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely factors that are beneficial to you such as nature, cost or quality of custody and brokerage services.

Triad attempts to mitigate the conflict of interest by notifying you of the conflict. We inform you that you are free to consult other financial professionals. We are bound by our Code of Ethics to act in an ethical manner.

B. Triad does not compensate any individual or firm for client referrals.

CUSTODY

Item 15

With the exception of deduction of Triad's advisory fees from your accounts, Triad does not take custody of your funds or securities. Your account assets are maintained at Schwab.

Under government regulations, we are deemed to have custody of your assets if you authorize us to instruct Schwab to deduct our advisory fees directly from your account. However, your custodian, Schwab, maintains the actual custody of your assets. You will receive account statements directly from Schwab at least quarterly. They will be sent to the email or postal mailing address you provided to Schwab. You should carefully review those statements promptly when you receive them. As noted under Item 13C above, you should compare the statement we provide you with your Schwab statement.

INVESTMENT DISCRETION

Item 16

You may grant Triad authorization to manage your account on a discretionary basis. You will grant such authority to Triad by execution of the asset management agreement. You may terminate the discretionary authorization at any time by giving us written notice.

Additionally, you are advised that:

- 1) You may set parameters with respect to when account should be rebalanced and set trading restrictions or limitations;
- 2) Your written consent is required to establish investment management account;
- 3) If you elect to implement recommendations through your Advisory Representative, we require the use of Schwab.
- 4) With the exception of deduction of Triad's advisory fees from your account, provided you have authorized automatic fee deductions, we will not have the ability to withdraw your funds or securities from the account.

VOTING CLIENT SECURITIES

Item 17

Triad does not vote your securities. Unless you suppress proxies, securities proxies will be sent directly to you by the account custodian or transfer agent. You may contact your Advisory Representative about questions you may have and opinions on how to vote the proxies. However, the voting and how you vote the proxies is solely your decision.

FINANCIAL INFORMATION

Item 18

A. Triad will not require you to prepay more than \$1,200 and six or more months in advance of receiving advisory services; therefore, a balance sheet is not required to be attached.

B. Triad has discretionary authority over client accounts; however that authority does not extend to the withdrawal of any client assets, with the exception of deduction of Triad's advisory fees from your accounts. We are financially stable. There is no financial condition that is likely to impair our ability to meet our contract actual commitment to you or any other client.

C. Neither Triad nor any of its Advisory Representatives has ever been the subject of a bankruptcy petition.

REQUIREMENTS for STATE REGISTERED ADVISERS

Item 19

This section is not applicable to Triad Financial Advisors, Inc. since it is not state registered. Triad Financial Advisors, Inc. is registered with the Securities and Exchange Commission.