

## Item 1 Cover Page

### Form ADV Part 2A: Disclosure Brochure

#### **Frazier Financial Advisors, LLC**

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This brochure provides information about the qualifications and business practices of Frazier Financial Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (614) 793-8297. 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 Frazier Financial Advisors, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Frazier Financial Advisors, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Frazier Financial Advisors, LLC offers a wide range of financial services, and not all services and information presented in this brochure will apply to every client.

## Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the last annual amendment filed on March 3, 2023 there are no material changes to report.

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## Item 4 Advisory Business

### Description of Services

Frazier Financial Advisors, LLC (“FFA”) is a registered investment adviser based in Columbus, Ohio. We are organized as a limited liability company under the laws of the State of Ohio. Joshua J. Frazier, Brian T. Houts, Andrew C. Gephart, James A. Frazier and Benjamin M. Foor are owners of Frazier Financial Advisors. Our firm has been in business since 1997. Currently, we offer the following investment advisory services, which are personalized to each individual client:

- Investment Management Services
- Financial Planning Services
- Selection of Other Advisers
- Investment Management of Plan Assets

The following paragraphs describe our services. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs.

### Investment Management Services

We offer discretionary and non-discretionary investment management services. Our investment advice is tailored to meet our clients’ needs and investment objectives. If you retain our firm for portfolio management services, we will meet with you to determine your investment objectives, risk tolerance, and other relevant information (the “suitability information”) at the beginning of our advisory relationship. We will use the suitability information we gather to develop a strategy that enables our firm to give you continuous and focused investment advice and/or to make investments on your behalf. As part of our portfolio management services, we may customize an investment portfolio for you in accordance with your risk tolerance and investing objectives. We may also invest your assets using a predefined strategy, or we may invest your assets according to one or more portfolios developed by our firm.

As part of our Investment Management service, we provide wealth planning services designed to help our clients organize their financial situation and plan for the successful transfer of wealth to the next generation in the most tax-advantaged manner. Such services generally include financial planning in the following areas:

- Estate Planning and Trustee Oversight
- Integrated Tax and Financial Planning
- Family Philanthropy
- Risk Management

If you participate in our discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account in order to select securities and execute transactions without permission from you prior to each transaction. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing. If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account.

FFA will often recommend an investor roll over plan assets to an IRA, due to there usually being a wider array of investment options available and lower cost options. However, there is a potential conflict of interest because we would earn a fee based on the value of the IRA account under management. In contrast, if a client or prospective client left his or her plan assets with his/her former

employer or roll the assets to a plan sponsored by a new employer there would be no compensation to us.

### **Financial Planning Services**

We offer broad-based, modular, and consultative financial planning services. Financial planning will typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to our firm.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm. FFA suggests the client work closely with his/her attorney, accountant or insurance agency. To the extent requested by you, we may recommend the services of other professionals. If you engage any recommended professionals and a dispute arises thereafter relative to such engagement, you agree to seek recourse exclusively from and against the engaged professional.

### **Selection of Third-Party Advisors, Platforms and Programs**

FFA offers clients a variety of different investment management programs, each particularly suited to individual needs. These programs are offered through various arrangements with third party advisors, model providers and platform services. In order to assist clients in the selection of investment management programs, we will typically gather information from you about your financial situation, investment objectives, and reasonable restrictions you want imposed on the management of the account. Your investment adviser representative will work with you to customize a portfolio that meets these objectives.

Third-Party Advisors – We have entered into agreements with various unaffiliated third-party investment advisors for the provision of certain investment advisory services. Factors considered in the selection of a third-party advisor include but may not be limited to: i) Our firm's preference for a particular third-party advisor; ii) the client's risk tolerance, goals and objectives, as well as investment experience; and, iii) the amount of client assets available for investment.

The third-party advisors are registered investment advisors who offer investment advisory and investment management programs. A complete description of the services provided, the amount of total fees, the payment structure, termination provisions and other aspects of the third-party advisor's advisory business are detailed and disclosed in: i) the third-party advisor's Form ADV Part 2A; ii) the program wrap brochure (if applicable) or other applicable disclosure documents; iii) the disclosure documents of the portfolio manager(s) selected; or, iv) the third-party advisor's account opening documents. A copy of all relevant disclosure documents of the third-party advisor and of the individual portfolio manager(s) will be provided to anyone interested in these programs/managers. You will be required to sign an agreement directly with the recommended third-party advisor(s).

Model Portfolio Selection – FFA offers model portfolio selection services which allows FFA to exercise discretion to select model portfolios managed by unaffiliated third-party investment advisors, collectively referred to as "model providers". We will select the model portfolio(s) that align with your risk tolerance and investment objectives. The model providers are available to FFA through the Schwab or Fidelity Advisory Services platform. The platform provides FFA with discretionary authority to implement selected model providers on your behalf. Securities transactions will be decided upon

and executed by the model provider on a discretionary basis. This means that the model provider selected will have the ability to buy and sell securities in your account without obtaining your approval. Generally, clients may not impose restrictions on investing in certain securities or types of securities in accounts managed by a third-party advisor.

We will have the discretionary authority to select the model provider and the model portfolio(s) as well as the ability to reallocate funds from or to a model provider and/or model portfolio(s). You should be aware that there may be other model providers not recommended by our firm, that are suitable for you and that may be less costly than arrangements recommended by our firm. No guarantees can be made that your financial goals or objectives will be achieved through the selection of model providers or by a recommended/selected model portfolio.

We will periodically review reports provided to clients. We will contact clients at least annually, or more often to review your financial situation and objectives, and, to assist you in understanding and evaluating the services provided by a third-party advisor and/or model provider. Please notify us of any changes in your financial situation, investment objectives, or account restrictions.

### **Investment Management of Employee Benefit Plans**

We provide discretionary investment management services to ERISA covered employee benefit plans ("Plan"). In providing investment management services to the Plan, we directly manage and provide advice regarding the selection of the Plan's investments offered to participants under the Plan. We monitor the investments and determine the retention, removal and addition of investments in the Plan's pooled investment account.

The services are designed to assist plan sponsors in meeting their management and fiduciary obligations to Participants under the Employee Retirement Income Securities Act ("ERISA"). Pursuant to adopted regulations of the U.S. Department of Labor, we are required to provide the Plan's responsible plan fiduciary (the person who has the authority to engage us as an investment adviser to the Plan) with a written statement of the services we provide to the Plan, the compensation we receive for providing those services, and our status (which is described in Item 5 below).

In providing services to the Plan, our status is that of an investment adviser registered under the Investment Advisers Act of 1940, and we are not subject to any disqualifications under Section 411 of ERISA. In performing fiduciary services, we are acting as a discretionary fiduciary of the Plan as defined in Section 3(38) under ERISA.

### **Types of Investments**

We typically create a portfolio of equity securities, warrants, corporate, government and municipal debt securities, commercial paper, certificates of deposit, mutual funds and ETFs, options contracts on securities and commodities, futures contracts on securities and commodities, limited partnerships and annuities.

### **Assets Under Management**

As of February 21, 2024, we managed \$669,982,996 in client assets on a discretionary basis and \$97,879,208 on a non-discretionary basis.

## **Item 5 Fees and Compensation**

**Investment Management Services** Our fee for investment management services is based on a percentage of your assets we manage and is set forth in the following fee schedule:

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee</u></b>
First \$1,000,000	up to 1.00%
\$1,000,001 to \$2,000,000	0.90%
\$2,000,001 to \$3,000,000	0.80%
\$3,000,001 to \$5,000,000	0.60%
\$5,000,001 to \$10,000,000	0.50%
Over \$10,000,000	0.40%

Minimum Quarterly Fee: We may charge a negotiable quarterly minimum fee up to \$1,500.

Prior fee schedules may be in effect. Legacy clients (those whose engagements with the firm were in effect before the above stated fee schedule) may be subject to fee structures no longer offered to new clients. The exact fee for services will be agreed upon and disclosed in the client agreement prior to services being provided.

Our annual portfolio management fee is billed and payable quarterly in advance based on the value of your account on the last day of the previous quarter. The fee is based upon a pro-rata of all deposits and withdrawals in the quarterly billing period.

If the investment management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances.

At our discretion, we may combine the account values of family members living to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

The fee may be paid by either deducting the amount directly from your account held at the custodian, or remitting payment by check back to our office. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the custodian will deliver an account statement to you at least quarterly. These account statements will show disbursements from your account. You should review all statements for accuracy. We encourage you to reconcile our invoices with the statement(s) you receive from the custodian. If you find any inconsistent information between our invoice and the statement(s) you receive from the custodian please call our office number located on the cover page of this brochure.

Either party may terminate the portfolio management agreement upon 30-days' written notice. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

### **Financial Planning Services**

We charge a negotiable fixed fee for comprehensive personal financial analysis and recommendations. The fee is tiered according to client assets and circumstances and ranges from a minimum fee of \$1,500 up to \$10,000. The fee is dependent upon the complexity and scope of the plan, your financial situation, and your objectives.

At our discretion, we may offset some or all of the financial planning fees if you engage us for portfolio management services. You are under no obligation to use our other advisory services.

If you only require advice on a single aspect of your finances, we offer modular financial planning/general consulting services on an hourly basis. Our rate for such services is up to \$300.00 per hour and is negotiable depending on the scope and complexity of the plan, your financial situation, and your objectives. An estimate of the total time/cost will be determined at the start of the advisory relationship. In limited circumstances, the cost/time could potentially exceed the initial estimate. In such cases, we will notify you in advance and request that you approve the additional fee.

All fees are due and payable upon presentation of a financial plan. In some circumstances we may request a retainer prior to commencing services. In those circumstances the remaining portion of the financial planning fee is due upon the completion of the services rendered. We will not require prepayment of a fee more than six months in advance and in excess of \$1,200.

### **Selection of Third-Party Advisors, Platforms and Programs**

Advisory fees charged by Third-Party Advisors, Platforms or Programs ("Third Parties") are separate and apart from our advisory fees. Assets managed by Third Parties will be included in calculating our advisory fee, which is based on the fee schedule set forth in the "Investment Management Services" section in this brochure.

Advisory fees that you pay to the Third Party are established and payable in accordance with the brochure provided by each Third Party to whom you are referred. These fees may or may not be negotiable. You should review the recommended Third Party's brochure and take into consideration the fees along with our fees to determine the total amount of fees associated with this program.

You should review each Third Party's brochure for specific information on how you may terminate your advisory relationship with the Third Party and how you may receive a refund, if applicable. You may contact the Third Party directly with questions regarding your advisory agreement with the Third Party.

### **Investment Management of Plan Assets**

We charge a fee based on a percentage of the assets we manage in the Plan and in accordance with the portfolio management fee schedule listed above. Fees are billed and paid quarterly in advance. If our services are retained in the middle of a quarter, the fee for such quarter will be calculated on a pro rata basis, based upon the number of days remaining in the quarter. All fees will be invoiced for payment. Our advisory fee is negotiable, depending on individual client circumstances. We do not reasonably expect to receive any other compensation, direct or indirect, for the services we provide to the Plan or Participants, unless the plan sponsor directs us to deduct our fee from the plan or directs the plan record-keeper to issue payment for our fee out of the plan. If we receive any other compensation for such services, we will (i) offset the compensation against our stated fees, and (ii) we will promptly disclose the amount of such compensation, the services rendered for such compensation and the payment of such compensation to you.

Either party to the advisory agreement may terminate the agreement upon 30-days' written notice to the other party. The fees will be prorated for the quarter in which the termination notice is given and any unearned fees will be refunded to the client.

### **Billing on Margin**

Unless otherwise agreed in writing, the gross amount of assets in the client's account, including margin balances, are included as part of assets under management for the purpose of calculating the firm's advisory fee. Clients should note that this practice will increase total assets under management used to calculate advisory fees which will in turn increase the amount of fees collected by our firm. This practice creates a conflict of interest in that our firm has an incentive to use margin in order to increase the amount of billable assets. At all times, the firm strive to uphold their fiduciary duty of fair



dealing with clients. Clients are free to restrict the use of margin by our firm. However, clients should note that any restriction on the use of margin may negatively impact an account's performance in a rising market.

### **Additional Fees and Expenses**

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. In addition to FFA's fees you may also incur brokerage commissions, transaction fees, and other related costs and expenses. You may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees and other fees and taxes on brokerage accounts and securities transactions. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian.

Mutual funds charge fees and expenses for their products. These fees and expenses are described in each fund's prospectus and generally include management fees, other fund expenses, and a possible distribution fee. A client could invest in mutual funds directly, without the services of FFA. In that case, the client would not receive the services provided by FFA which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by FFA to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

## **Item 6 Performance-Based Fees and Side-By-Side Management**

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

## **Item 7 Types of Clients**

We offer investment advisory services to individuals, high net worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and business entities.

In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your Account if it falls below a minimum size which, in our sole opinion, is too small to effectively manage.

## **Item 8 Methods of Analysis, Investment Strategies and Risk of Loss**

### **Our Methods of Analysis and Investment Strategies**

Our methods of analysis and investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

Clients are advised using some, all or a mix of the methods and/or strategies listed below and the risks these methods/strategies may present:

**Fundamental Analysis** - The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Charting and Technical Analysis** - The risk of market timing based on technical analysis is that charts may not accurately predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

**Cyclical Analysis** - Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

**Modern Portfolio Theory ("MPT")** - MPT which is a theory of investing 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. MPT is a mathematical formulation of the concept of diversification in investing, with the aim of selecting a collection of investment assets that has collectively lower risk than any individual asset. The risk, return, and correlation measures used by MPT are mathematical statements about the future. In practice, investors must substitute predictions based on historical measurements of asset return and volatility for these values in the equations. Very often such expected values fail to take account of new circumstances which did not exist when the historical data were generated.

**Short Sales** - Short selling (also known as shorting or going short) is the practice of selling assets, usually securities, that have been borrowed from a third party (usually a broker) with the intention of buying identical assets back at a later date to return to the lender. It is a form of reverse trading. Mathematically, it is equivalent to buying a "negative" amount of the assets. The short seller hopes to profit from a decline in the price of the assets between the sale and the repurchase, as the seller will pay less to buy the assets than the seller received on selling them. Conversely, the short seller will incur a loss if the price of the assets rises. Other costs of shorting may include a fee for borrowing the assets and payment of any dividends paid on the borrowed assets. "Shorting" and "going short" also refer to entering into any derivative or other contract under which the investor profits from a fall in the value of an asset.

### **Risk of Loss**

***Investing in securities involves risk of loss that you should be prepared to bear. Investments are not guaranteed, and clients may incur losses on their investments. Past performance is in no way an indication of future performance.***

### **Recommendation of Particular Types of Securities**

We recommend all types of securities and we do not necessarily recommend one particular type of security over another. However, we may recommend specific types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment.

**Mutal Funds and Exchange Traded Funds (“ETFs”):** Mutual funds and ETFs are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. The fund will have a manager that trades the fund’s investments in accordance with the fund’s investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are “no load” and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. For information about the material risks associated with the fund’s investment strategies and other disclosures, please see the fund’s prospectus.

**Equity Investments:** Refers to buying shares of stock 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 conditions for each company, industry market conditions and general economic environments.

**Market Risk:** The price of a security, bond, or mutual fund can drop in reaction to tangible and intangible events and conditions. External factors cause this type of risk, independent of a security’s underlying circumstances. For example, political, economic, and social conditions can trigger market events.

**Stock Market Risk:** The market value of stocks will generally fluctuate with market conditions. While stocks have historically outperformed other asset classes over the long term, they tend to fluctuate over the short term because of factors affecting the individual companies, industries, or the securities market.

**Interval Funds:** We may recommend or purchase shares of interval funds for clients when consistent with a client’s investment objectives. An interval fund is a type of closed-end mutual fund that is not listed on an exchange. Interval funds periodically offer to repurchase a limited percentage of outstanding shares, as defined in its prospectus, from its shareholders. Interval funds are generally designed for long-term investors who do not require daily liquidity. Therefore, the shares are subject to periodic redemption offers by the fund at a price based on net asset value. Accordingly, interval funds are subject to liquidity constraints. Interval funds that invest in securities of companies with smaller market capitalizations, derivatives, or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Generally, the interval funds we recommend offer a one to two week period, on a quarterly basis, during which the client may seek the redemption of previously purchased interval funds. Given the lack of secondary market, the infrequent nature of the offers to buy back shares, and the liquidity gates (or re-purchase limits), clients should consider the shares of interval funds to be illiquid.

## **Item 9 Disciplinary Information**

Neither our firm nor any of our Associated Persons has any reportable disciplinary information.

## Item 10 Other Financial Industry Activities and Affiliations

### Registrations with Broker-Dealer

Persons providing investment advice on behalf of our firm are registered representatives with Private Client Services, LLC ("PCS"), a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. This represents approximately 5% of their time. In their capacity as registered representatives, these persons may receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by these persons in their capacities as registered representatives is separate from our advisory fees. This practice may present a conflict of interest because persons providing investment advice on behalf of our firm who are also registered representatives may receive a commission on an investment product through PCS. In order to mitigate this conflict of interest, FFA utilizes a detailed analysis of clients' facts and circumstances to determine if such investments are suitable. Generally, it is FFA's policy to separate fee-based investments from commission-based investments so as not to receive two types of compensation from the same investment. Additionally, you are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm.

### Independent Insurance Agents

Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. However, you are under no obligation, contractually or otherwise, to purchase insurance related investments through any person affiliated with our firm.

These persons may earn commission-based compensation for insurance related investments. Insurance commissions earned by these persons are separate from our advisory fees. This represents approximately 5% - 10% of their time.

### Other Activities

Our firm also provides accounting and tax preparation services. If you require accounting and/or tax preparation services, we may recommend that you use FFA. Generally, our advisory services are separate and distinct from the compensation paid for accounting or tax preparation services. In limited situations, we may provide accounting and tax preparation services as part of your portfolio management services. You are under no obligation, contractually or otherwise, to utilize our accounting and tax services. This represents approximately 10% - 20% of our time.

James A. Frazier, an owner of our firm, is a shareholder in Buckeye State Bank and is compensated as a member of the Board of Directors. Mr. Frazier from time to time may introduce potential customers to the bank which may be viewed as a conflict of interest. FFA has established processes to monitor the employee's other business activities and the individual's obligation and compliance with FFA's policies and procedures.

### Recommendation of Other Advisers

We may recommend that you use a third-party adviser based on your needs and suitability. However, we do not receive compensation from the third-party adviser for recommending that you use their services. You are not obligated, contractually or otherwise, to use the services of any third-party adviser we recommend.

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

## **Description of Our Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

## **Item 12 Brokerage Practices**

FFA recommends that clients use Charles Schwab & Co., Inc. (Schwab) or Fidelity Brokerage Services LLC ("Fidelity") as the broker-dealer and custodian for their account(s). These relationships include benefits provided to our firm, including but not limited to, research, market information and administrative services that help our firm manage your account(s). We believe that recommended broker-dealers provide quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by recommended broker-dealers, including the value of research provided, the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of research services and additional brokerage products and services recommended broker-dealers provide, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

Schwab and Fidelity provide us with access to institutional trading and operations services, which are typically not available to Schwab or Fidelity retail investors. Schwab or Fidelity may include research, brokerage, custody, access to mutual funds and other investments that are otherwise available only to institutional investors or would require significantly higher minimum initial investments. Schwab and Fidelity also make available to us other products and services that help our investment management process. These include software and other technology that provide access to your account data (such as trade confirmations and account statements), facilitate trade execution, provide research, pricing information and other market data, facilitate payment of our fees from your accounts, and assist with back-office support, recordkeeping and reporting.

In some circumstances, we may suggest that a client use Schwab's prime broker service. Under "prime broker" arrangements, a client has the ability to execute trades of certain assets at broker-dealers other than Schwab. We may, on a transaction-by-transaction basis, utilize Schwab's prime broker service to execute transactions for settlement into the client's "prime brokerage" account.

### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

### **Directed Brokerage**

We routinely recommend that you direct our firm to execute transactions through Schwab or Fidelity. As such, we may be unable to achieve the most favorable execution of your transactions and you may

pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services. Not all advisers require their clients to direct brokerage.

Certain persons providing investment advice on behalf of our firm are also registered representatives of PCS. We may recommend PCS to you for brokerage services. These individuals are subject to applicable rules that restrict them from conducting securities transactions away from PCS unless PCS provides the representative with written authorization to do so. Therefore, these individuals are generally limited to conducting securities transactions through PCS. It may be the case that PCS charges higher transactions costs and/or custodial fees than another broker charges for the same types of services. If transactions are executed through PCS, these individuals (in their separate capacities as registered representatives of PCS) may earn commission-based compensation as result of placing the recommended securities transactions through PCS. You may utilize the broker-dealer of your choice and have no obligation to purchase or sell securities through such broker as we recommend.

Please see Item 10 in this brochure for more information on the compensation received by registered representatives who are affiliated with our firm.

### **Block Trades**

While individual client advice is provided to each account, client trades may be executed as a block trade. We encourage our existing and new clients to use either Schwab or Fidelity. Only accounts in the custody of Schwab or Fidelity would have the opportunity to participate in aggregated securities transactions. No advisory account within the block trade will be favored over any other advisory account, and thus, each account will participate in an aggregated order at the average share price and receive the same commission rate. The aggregation should, on average, reduce slightly the costs of execution. FFA and/or its Associated Persons may participate in block trades with clients and may also participate on a pro rata basis for partial fills, but only after the determination has been made that clients will receive fair and equitable treatment.

## **Item 13 Review of Accounts**

Our Financial Advisors will monitor your accounts on a periodic basis and will conduct account reviews. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals,
- market moving events,
- security specific events, and/or,
- changes in your risk/return objectives.

You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

## **Item 14 Client Referrals and Other Compensation**

Please refer to the Brokerage Practices section above for disclosures on research and other benefits we may receive resulting from our relationship with Private Client Services, LLC, Charles Schwab and Co., Inc. and Fidelity Brokerage Services LLC.

FFA, via written arrangement, retains third parties to act as solicitors for FFA'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, including Rule 206(4)-1 of the Investment Adviser Act of 1940.

We do compensate our employees who refer clients to us for our services. Thus, the employee will have a financial interest in the selection of FFA by the client for investment management services.

From time to time, FFA may receive expense reimbursements for travel and/or marketing expenses from distributors of investment and/or insurance products. These reimbursements are a result of attendance at due diligence and/or investment training events hosted by product sponsors. As part of our fiduciary duty to clients, our firm endeavors at all times to put the interests of our clients first. Receipt of these expense reimbursements is not predicated upon specific sales quotas.

### **Compensation for the Sale of Securities or Other Investment Products**

We may recommend that you purchase variable or fixed annuities to be included in your investment portfolio(s). Commissionable (12b-1) variable or fixed annuity balances are excluded as amounts under management for adviser investment management services and therefore are not calculated within the annual advisory management fee. Therefore, the tiered fee percentage is not reduced for commissionable variable annuities.

## **Item 15 Custody**

As paying agent for our firm, your independent custodian may directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities.

FFA does not maintain physical custody of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other qualified custodian. FFA may be deemed under the federal securities laws to have custody of select client funds or securities if you provide FFA with the authority to disburse funds to other parties designated by you through a Standing Letter or Authorization ("SLOA") or similar asset transfer authorization. Additionally, FFA may be deemed to have custody due to client log-on capabilities through an account aggregator. We maintain safeguards in accordance with regulatory requirements regarding custody of client assets.

Because FFA is considered to maintain custody of select client funds or securities under the above situations, FFA undergoes an unannounced annual audit by an independent Public Company Accounting Oversight Board (PCAOB) registered accounting firm.

You will receive account statements from the independent custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy. We will also provide statements to you reflecting the amount of advisory fee deducted from your account.

You should compare our statements with the statements from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your account statement, or if you did not receive a statement from your custodian, please contact us directly at the telephone number on the cover page of this brochure.



## Item 16 Investment Discretion

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement, a limited power of attorney, and/or trading authorization forms.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). Please refer to the “Advisory Business” section in this brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

## Item 17 Voting Client Securities

### Proxy Voting

We will not vote proxies. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder.

### Class Action Lawsuits

We do not determine if securities held by you are the subject of a class action lawsuit. Moreover, we do not determine whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf. At your request, we may offer you advice regarding corporate actions.

## Item 18 Financial Information

We are required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. FFA does not have any adverse financial condition to report. FFA has not been the subject of a bankruptcy petition at any time. Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.