

Part 2A of Form ADV: *Firm Brochure*

Seal Financial Services, Inc.

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This brochure provides information about the qualifications and business practices of Seal Financial Services, Inc. If you have any questions about the contents of this brochure, please contact us at (303) 671-9777 or janetm@sealfinancial.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 Seal Financial Services, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 113945.

Item 2 Material Changes

We have not made any “Material Changes” to our firm or to our ADV Part 1 and 2 in the year ending December 31, 2012.

In the future, this Item will discuss specific material changes that are made to the Brochure and provide clients with a summary of such changes.

Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

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Item 4 Advisory Business

Seal Financial Services, Inc. (“SFS”) is a fee-based SEC-registered investment adviser with its principal place of business located in Denver, Colorado. SFS has been in business since 1985 with Mr. Gregory P. Seal as the President.

Custom Portfolio Investment Advisory Services

Investment Policy Development and Portfolio Design

We work with clients to create a unique investment portfolio(s). Through personal discussions in which goals and objectives based on a client's particular circumstances are established, SFS develops a client's Individualized Personal Investment Policy and a customized investment portfolio. During the data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. Our firm may also review and discuss a client's prior investment history, as well as family composition and background. This service is designed to identify client risk thresholds, personal financial requirements and total resources to be included in the portfolio.

We manage these advisory accounts primarily on a limited-discretion basis. Specific recommendations are presented to the Client and approval is obtained before purchases or sales are made. However, clients may give us limited discretionary authority with respect to the purchase and sale of fixed income investments to include certificates of deposits and money market funds. *See Item 16 Investment Discretion for further details.* Our limited-discretionary assets under management were \$96,426,346 as of December 31, 2012.

Investment Advisory Services to Trust Accounts

Certain trust clients may give us discretion in connection with the management of funds held by certain trusts. The trusts may have a single corporate trustee that is either a bank, a subsidiary of a bank or a trust company or the trust may have co-trustees consisting of a bank or trust company together with an individual client. The discretion is exercised within certain parameters established by the applicable trust document and an investment policy statement. The discretion is evidenced by a written agreement signed by the trustee. These accounts are reviewed periodically to determine if the investments are consistent with the investment policy statement and to determine whether adjustments need to be made. Investments made in these accounts are also reviewed for potential conflicts of interest with personal accounts of employees of SFS as well as in other client accounts. As of December 31, 2012 we managed \$9,090,885 of trust assets on a discretionary basis. *See Item 16 Investment Discretion for further details.*

On-going Monitoring, Reporting, and Recommendations

We provide continuous advice to clients regarding the investment of their funds based on individual needs. We provide this service to individuals, high net-worth individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, and corporations and other business entities.

Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities: exchange-listed securities, securities traded over-the-counter, corporate debt securities (other than commercial paper), commercial paper, certificates of deposit, municipal securities, variable annuities, mutual fund shares, and United States governmental securities. All recommendations are made subject to the client's individual approval.

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Pension Consulting Services

We also provide several pension consulting services, either separately or in combination. We will offer our services to ERISA plans including profit sharing plans, 401(k) plans, and defined benefits plans. Further, we offer our services, where appropriate, to individuals and trusts, estates and charitable organizations. Pension Consulting Services are comprised of four distinct services. Clients may choose to use any or all of these services.

Investment Policy Statement Preparation (hereinafter referred to as "IPS"):

We will meet with the plan sponsor/client (in person or over the telephone) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. Our firm then prepares a written IPS detailing those needs and goals, including an encompassing IPS to work towards these goals. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance. The services we offer are set forth in the Seal Financial Service Agreement that is provided upon engagement of Seal Financial Services, Inc. This agreement outlines which services we provide as a fiduciary and which services are not provided as fiduciary services.

Selection of Investment Vehicles:

We assist plan sponsors in constructing appropriate asset allocation models. We will then review various mutual funds (both index and managed) to determine which investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the IPS.

Monitoring of Investment Performance:

We monitor client investments regularly, based on the procedures and timing intervals delineated in the Investment Policy Statement. Although our firm is not involved in any way in the purchase or sale of these investments, we supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

Employee Communications:

For pension, profit sharing and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), we may also provide quarterly educational support and investment workshops designed for the plan participants. The nature of the topics to be covered will be determined by us and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations, unless the plan participant has entered into a specific written agreement with Seal Financial Services, Inc. to provide such advice.

Selection and Monitoring of Third-Party Money Managers

We offer advisory services to our clients that help identify, select and monitor Third-Party Money Manager Programs (hereinafter, "Programs" or "Money Manager(s)").

Our firm provides the client with an asset allocation strategy developed through personal discussions in which goals and objectives based on the client's particular circumstances are established. This asset allocation strategy is drafted into the client's Personal Investment Policy Statement ("PIPS").

We will then perform searches for Programs of various unaffiliated registered investment advisers that meet the clients' individual circumstances and needs as exhibited in the client's Personal Investment Policy Statement. Factors considered in making a specific Program recommendation include account size, risk tolerance, the opinion of each client and the investment philosophy of the selected Money Manager or Program. Clients should refer to the selected Money Managers disclosure document for a full description of the services offered. We will meet with the client on a regular basis, or as determined by the client, to review the account.

Once the client and SFS choose an appropriate third-party Money Manager(s) for the client, we provide the selected third-party Money Manager(s) with the client's PIPS. The third-party Money Manager(s) then creates and manages the client's portfolio based on the client's individual needs as exhibited in the PIPS.

We monitor the performance of the selected Program and third-party Money Manager(s). If we determine that a particular selected third-party Money Manager(s) is not providing sufficient management services to the client, or is not managing the client's portfolio in a manner consistent with the client's PIPS, or the account is suffering from style drift or other problems which are reasonable reasons to switch managers, we may suggest that the client contract with a different Money Manager and/or Program sponsor. Under this scenario, our firm assists the client in selecting a new Money Managers and/or Program. However, any move to a new Money Manager and/or Program is solely at the discretion of the client.

As part of this service SFS may refer clients directly to independent third-party money managers and other programs, or when appropriate SFS may recommend the Programs sponsored by Geneos Wealth Management, Inc. ("Geneos"), a registered broker dealer, member FINRA/SIPC and registered Investment Adviser.

Please see important disclosures about our relationship with Geneos in Item 5 and Item 10.

Financial Planning Services

SFS provides financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analyses are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives.

In general, the financial plan can address any or all of the following areas:

Personal: We review family records, budgeting, personal liability, estate information and financial goals.

Tax & Cash Flow: We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.

Investments: We analyze investment alternatives and their effect on the client's portfolio.

Insurance: We review existing policies to determine proper coverage for life, health, disability, long-term care, liability, home and automobile.

Retirement: We analyze current strategies and investment plans to help the client achieve his or her retirement goals.

Death & Disability: We review the family's need for liquidity and income, estate planning and disability income at the death of the client.

Estate: We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, return objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning.

Typically the financial plan is presented to the client within six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided.

Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

Single Purpose / Limited Scope Consulting Services

SFS can also provide investment advice on a more focused basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns of the client. In addition we can provide expert witness preparation and testimonial services.

Consulting recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

Affiliated Insurance Services

C-Hall, a licensed insurance agency, is wholly owned by SFS. C-Hall markets and sells health insurance, life insurance, Medicare supplements, fixed annuities and long-term health care insurance to individuals who may or may not be clients of SFS. C-Hall is an independent insurance agency that is not restricted in the types of carriers it represents in its capacity as an insurance agency.

Mr. Gregory Seal, Ms. Janet McCoy and certain employees of SFS are also licensed as insurance agents of C-Hall. In their separate capacities, they are able to implement insurance recommendations for advisory clients for separate and typical compensation (i.e., commissions, other sales-related forms of compensation). This relationship creates a potential conflict of interest. **Please see the disclosures of fees and compensation in Item 5 and conflicts of interest in Item 10.**

Item 5 Fees and Compensation

Custom Portfolio Investment Advisory Services

Investment Policy Development and Portfolio Design

Our fees for Investment Policy Development and Portfolio Design are charged at 0.25% of investable assets identified by the client for inclusion into a coordinated portfolio(s) with a maximum fee of \$2,500. This fee may be negotiable or waived at our discretion based upon the clients' needs, account size, portfolio design complexities and existing client relationship.

On-going Monitoring, Reporting, and Recommendations

Our fees for Portfolio Investment Advisory Services are based upon a percentage of assets under management, according to the following schedule:

Assets Under Management:	Annual Fee (%)
\$0 - \$1,000,000	1.00%
\$1,000,001 - \$1,999,999	0.75%
\$2,000,000 - \$2,999,999	0.50%
\$3,000,000 - and Over	0.25%

The fee for ongoing Custom Portfolio Investment Advisory Services service is based on the fee schedule listed above unless otherwise agreed to in writing. The minimum annual fee for this service is \$1,200.

SFS bills fees quarterly in arrears, based upon the value (market value or fair market value in the absence of market value) of the client's account at the end of the previous quarter. New accounts and additions to existing portfolio(s) will be pro-rated based on the number of days remaining in the calendar quarter. The fee is due within ten (10) days of invoice. Clients may choose to have their fees deducted directly from their account(s) or may send payment within 10 days of invoice.

Limited Negotiability of Advisory Fees: Although SFS has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

Pension Consulting Services

We offer several fee options. SFS may be compensated based on an annual percentage of plan assets for services involving ongoing reviews, or it may be compensated by a fixed annual fee.

Alternatively, these different types of fees may also be combined as appropriate for the different types of services requested by the client.

Typically, the annual fee ranges from 0.10% to 1.00% of plan assets depending on the services requested and the size of the plan. Fees will be based upon the value of the plan at the end of the

previous period. Fees will not be adjusted based on additions and withdrawals during the calendar quarter. Plan sponsors are invoiced in arrears at the end of each calendar quarter.

Fixed fees for Pension Consulting Services generally range from \$5,000 to \$50,000. We may request a retainer for the fixed fee arrangements in advance. The amount of a requested retainer will never exceed the fee for services to be provided within the first six months of an engagement.

Limited Negotiability of Pension Consulting Fees: Although SFS has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule.

Third-Party Money Manager Fees

We are paid by the third-party Money Manager and/or sponsor of the program selected by the client for portfolio management services. Our fee is based on a percentage of the client's managed assets and typically ranges up to 2.00% annually depending on the size of the account, which is included in the independent investment adviser's annual management fee. The portion of the advisory fee paid to us does not increase the client's ultimate advisory fee paid to the selected independent investment adviser.

Clients are provided with a separate disclosure document (ADV Part 2A for each third-party Money Manager selected) describing the fee paid to us by such third-party Money Manager. The total asset management fee, including the referral fee paid to our firm, is disclosed in the third-party Money Manager's disclosure document.

As part of this service SFS may refer clients directly to independent third-party money managers and other programs, or when appropriate may recommend one or more of the various programs offered through Geneos Wealth Management, Inc. (hereinafter, "Geneos"), a registered broker-dealer, member of the Financial Industry Regulatory Authority ("FINRA") and an investment adviser firm.

SFS management and employees may be registered representatives of Geneos and will receive a fee based on a percentage of assets invested with the third-party Money Manager through this program. Management and employees do not receive any commissions for the referral of clients through the programs offered by Geneos. Please see important disclosures in "Additional Compensation" below and in Item 10 for this Form ADV Part 2A.

Financial Planning Fees & Single Purpose / Limited Scope Consulting Services

SFS and the client will agree upon the fee calculation that will be used for financial planning services at the inception of the advisory service. SFS's fees for Financial Planning services may be calculated using one of the following methods:

1. Our Financial Planning fees are calculated and charged on an hourly basis, ranging from \$75 to \$175 per hour. An estimate for the total hours is determined at the start of the advisory relationship; or
2. Our Financial Planning fees are calculated and charged on a Flat Fee basis, typically ranging from \$400 to \$4,000 subject to the specific arrangement reached with the client; or
3. Our expert witness preparation and testimony services are billed at \$250 - \$500 per hour.

In the case of Flat Fee, a twenty-five percent (25%) retainer up to \$400 will be required in advance at the time of formal engagement with the balance due and payable in two ways:

1. paying remaining amount either in full at such time of presentation of the completed plan/work product; or
2. in two equal monthly payments over the next two months of the contract year. No fee is paid more than 6 months in advance.

Additional Compensation Received by Us

Mr. Gregory Seal, Janet McCoy and other employees of SFS are separately licensed as insurance agents with C-Hall, which is wholly owned by our firm or licensed with Seal Financial Services, Inc. In addition as stated above in this section, Mr. Gregory Seal and Janet McCoy are registered representatives of Geneos Wealth Management, Inc. (hereinafter, "Geneos"), a registered broker-dealer, member of the Financial Industry Regulatory Authority ("FINRA") and an investment adviser firm.

In their separate capacities the management personnel and certain employees are able to implement investment recommendations for advisory clients for separate and typical compensation (i.e., commissions, 12-b1 fees or other sales-related forms of compensation).

Advisory client fee offset: As described above, our management, personnel, and certain SFS representatives may recommend variable annuity products through Geneos Wealth Management, Inc. In this separate capacity the individual making the recommendation will receive a commission if implemented. Under this circumstance, SFS will waive its Custom Portfolio Investment Advisory Service fee, as described above, for a period of two (2) years from the date of purchase.

All of the arrangements above present conflicts of interest to the extent that SFS representatives recommend that a client invest in a security, policy or product which results in a commission being paid to the individuals. Clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client. ***See Item 10 for additional information about how our firm handles these conflicts of interest.***

General Fee Information

Termination of the Advisory Relationship: Clients will have a period of five (5) business days from the date of signing the agreement to unconditionally rescind the agreement with us and receive a full refund of all fees. Thereafter, the client may terminate the agreement by providing us with a written notice at our principal place of business prior to delivery of the plan or completion of other services. Upon termination, we will prorate fees to the date of termination and refund to the client the unearned portion of the fee we have collected. Third-party managers and program sponsor(s) recommended by us to clients have their own policies for account terminations and refunds. Clients should carefully review all such policies since our firm has no control over any contractual provisions imposed by third parties.

Mutual Fund Fees: All fees paid to SFS for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and in certain circumstances a distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm 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 our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Wrap Fee Programs and Separately Managed Account Fees: Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Grandfathering of Minimum Account Requirements: Pre-existing advisory clients are subject to SFS's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

ERISA Accounts: SFS is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"). As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, SFS may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees. If SFS and/or our related persons receive commissions or 12b-1 fees in connection with the management of ERISA covered accounts, we will (i) offset that compensation against stated fees, and (ii) will disclose the amount of such compensation to the client pursuant to the terms of the Client Agreement.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

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

SFS does not charge any performance-based fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7 Types of Clients

SFS provides advisory services primarily to Individuals (other than high net worth individuals), High net worth individuals and pension and profit sharing plans (other than plan participants)

SFS generally requires a minimum of \$200,000 of assets under management for Custom Portfolio Investment Advisory Services. This account size may be negotiable under certain circumstances.

Given the nature of services, SFS does not require a minimum fee for financial planning services. However, flat fees will generally range from \$450 to \$4,000 depending on the complexity of the case. As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

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

Methods of Analysis

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Asset Allocation. Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Mutual Fund and/or ETF Analysis. We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Third-Party Money Manager Analysis. We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we

may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Investment Strategies

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases. When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Below is a list of potential conflicts of interest to the extent that an SFS employee or associated person recommends that a client invest in a product or security which results in a commission being paid to the individuals. Clients will be made aware of the existence of these conflicts of interest that may impair the

objectivity of our firm, its employees and associated persons when making advisory recommendations. See the section below on “How we handle conflict of interest.”

Clients are not under any obligation to engage an SFS employee when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Broker Dealer Affiliation

Mr. Gregory Seal and Ms. Janet McCoy are registered securities representatives of Geneos Wealth Management, Inc. (hereinafter, “Geneos”), a registered broker-dealer, member of the Financial Industry Regulatory Authority (“FINRA”) and an investment adviser firm CRD No. 120894. In their separate capacity(ies), these individuals are able to implement investment recommendations for advisory clients for separate and typical compensation (i.e., commissions, 12-b1 fees or other sales-related forms of compensation).

Insurance Agency Affiliation

Mr. Gregory Seal, Ms. Janet McCoy and certain employees are licensed insurance agents with C-Hall, which is wholly owned by our firm and licensed with Seal Financial Services, Inc. In their separate capacities, these individuals are able to implement insurance and other investment recommendations for advisory clients for separate and typical compensation (i.e., commissions and other sales-related forms of compensation).

Law Firm Affiliation

An Affiliated Person (Bradley J. Frigon) also is a practicing lawyer and owns the Law Offices of Bradley J. Frigon. If Mr. Frigon receives a commission on investments or products that he recommends to clients, this may constitute a conflict of interest. If these investments are offered to clients, a disclosure statement outlying Mr. Frigon's compensation and services will be provided to clients prior to engagement. SFS receives no financial consideration from Mr. Frigon in connection with Client referrals to Mr. Frigon for legal services.

How we handle conflicts of interest.

SFS endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address these conflicts:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to determine that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that any conflicts of interests in such activities are properly addressed;

- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- We educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

As previously disclosed, we may recommend the services of various registered third-party Money Managers to our clients. In exchange for this recommendation, we receive a referral fee from the selected third-party money manager. The fee received by us is typically a percentage of the fee charged by that third-party money manager from the referred client. The portion of the advisory fee paid to us does not increase the total advisory fee paid to the selected third-party money manager by the client. We do not charge the client any fees for these referrals. We will only recommend third-party money managers that pay us a referral fee as the client does not pay us in addition to paying the third-party money manager.

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

Code of Ethics Disclosure

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code provides for oversight, enforcement and recordkeeping provisions. A copy of our Code of Ethics is available to our advisory clients and prospective clients upon request to Ms. Janet McCoy at the firm's principal office address.

As is disclosed in Item 5 of this Brochure, employees may be registered securities representatives of Geneos Wealth Management. In addition, our firm owns C-Hall, which is a licensed insurance agency. Some of our employees may be licensed as insurance agent/broker of various insurance companies. Please refer to Item 5 and Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

Our firm or individuals associated with our firm may buy or sell securities identical to those recommended to or purchased for customers for their personal accounts. In addition, any related person(s) may have an interest or position in a certain securities which may also be recommended to a client. This practice results in a potential conflict of interest, as we may have an incentive to manipulate the timing of such purchases to obtain a better price or more favorable allocation in rare cases of limited availability.

As these situations represent a conflict of interest, we have established the following restrictions on these activities:

1. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No principal or employee of our firm may prefer his or her own interest to that of the advisory client.
2. It is the expressed policy of our firm that no person employed by us may benefit from transactions placed on behalf of advisory accounts.
3. We maintain a list of all securities holdings for our firm and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by Ms. McCoy.
4. All clients are fully informed that principals or employees may receive separate compensation when effecting transactions during the implementation process.
5. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
6. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
7. Any individual not in observance of the above may be subject to termination.

Item 12 Brokerage Practices

SFS does not request or accept the discretionary authority to determine the broker-dealer to be used for client accounts. This means that we will not survey or shop the brokerage market place for best execution on a transaction-by-transaction basis. Clients must direct us as to the broker-dealer to be used for all client securities transactions, including the case where clients decide to use the various broker-dealers that SFS recommends below. In directing the use of a particular broker-dealer, it should be understood that we will not have authority to negotiate commissions among various broker-dealers, and best execution may not be achieved, resulting in higher transaction costs for clients. *Please note, not all advisers require their clients to direct brokerage.* Further, SFS does not have any formal soft-dollar arrangements and does not receive any soft-dollar benefits from direction of brokerage.

As a matter of policy and practice, SFS does not generally aggregate client trades into block trades. Therefore, we implement client transactions separately for each account. Consequently, certain client trades may be executed before others, at a different price and/or commission rate. Additionally, our clients may not receive volume discounts available to advisers who aggregate client trades.

SFS may recommend that certain trust clients that seek a corporate trustee establish an account with The Private Bank (Colorado State Bank & Trust N.A.) or American National Bank, N.A. These banks

provide trustee services, custody and trading services for a separate fee. Although we recommend that clients establish accounts with these banks for trustee services or custody, it is the client's decision to engage these banks for these services. SFS is not affiliated with either of these banks, either direct or indirect.

SFS may recommend one or more of the following custodians or broker dealers in connection with its Custom Investment Advisory Services:

- *Charles Schwab & Co., Inc. (Advisor Services)*
- *Fidelity*

Charles Schwab & Co., Inc. (Institutional Services)

SFS may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although we recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. SFS is independently owned and operated and not affiliated with Schwab.

Schwab provides SFS with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Institutional. These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Institutional also makes available to our firm other products and services that benefit SFS but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that:

- (i) provide access to client account data (such as trade confirmations and account statements);
- (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- (iii) provide research, pricing and other market data;
- (iv) facilitate payment of our fees from clients' accounts; and
- (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help us manage and further develop our business enterprise. These services may include:

- (i) compliance, legal and business consulting;
- (ii) publications and conferences on practice management and business succession; and
- (iii) access to employee benefits providers, human capital consultants and insurance providers.

Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to SFS. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third party providing these services to our firm. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend or require that clients custody their 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 on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

SFS has an arrangement with National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") through which Fidelity provides our firm with their "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record-keeping and related services that are intended to support intermediaries like SFS in conducting business and in serving the best interests of our clients but that may also benefit us.

Fidelity

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables SFS to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers. As part of the arrangement, Fidelity also makes available to our firm, at no additional charge to us, certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by SFS (within specified parameters). These research and brokerage services presently include services such as: A dedicated trading desk, a dedicated service group and an account services manager dedicated to our firm's accounts, access to a real-time order-matching system, ability to 'block' client trades, electronic download of trades, balances and positions, access, for a fee, to an electronic interface with Fidelity's software, duplicate and batched client statements, confirmations and year-end summaries, the ability to have advisory fees directly debited from client accounts (in accordance with federal and state requirements), availability of third-party research and technology, a quarterly newsletter, access to Fidelity mutual funds, access to AdvisorChannel.com (internet access to statements, confirmations and transfer of asset status), access to Account View (through which clients may access their account information over the internet via our website), and access to over 350 mutual fund families and 4,500 mutual funds NOT affiliated with Fidelity, of which over 2,000 have no transaction fee. Without this arrangement, we might be compelled to purchase the same or similar services at our own expense.

As a result of receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of Fidelity's services. We examined this potential conflict of interest when we chose to

enter into the relationship with Fidelity and have determined that the relationship is in the best interests of SFS's clients and satisfies our client obligations, including our duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, while SFS will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by us will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. SFS and Fidelity are not affiliated.

Geneos Wealth Management, Inc.

Clients participating in Third-party Money Manager Programs are required to use the brokerage of Geneos Wealth Management, Inc. member FINRA and SIPC and custody services of Pershing, Inc. member FINRA and SIPC. As previously disclosed, the recommendation of this broker creates a conflict of interest because Mr. Gregory Seal and Ms. Janet McCoy are registered representatives with Geneos Wealth Management, Inc. We will only recommend Geneos where this firm's prices, commissions, products and services are competitive in the brokerage marketplace or if the client has selected a Third-Party Money Manager through one of the programs offered by Geneos. Clients must elect to use Geneos for trade execution services as a condition of participation in these Programs. However, financial planning and consulting services clients are not under any obligation to place trades through any recommended broker. Clients should be aware that best execution and lower commissions may not necessarily be achieved if recommended transactions are placed through these individuals, in their separate capacities as registered representatives.

Item 13 Review of Accounts

Custom Portfolio Investment Advisory Services

REVIEWS: While the underlying securities within Individual Portfolio Management Services accounts are regularly monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by: an investment committee comprised of: Mr. Gregory Seal and Ms. Janet McCoy.

REPORTS: In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, custodian or bank, we provide quarterly reports summarizing account performance, balances and holdings.

Pension Consulting Services

REVIEWS: ERISA accounts are monitored based on a schedule established between the Plan Sponsor and the Investment Adviser.

These accounts are reviewed by: an investment committee comprised of: Mr. Gregory Seal, Ms. Janet McCoy.

REPORTS: Specific reports will be provided to the Plan Sponsor as negotiated and agreed upon by the Plan Sponsor and the Adviser.

Third-Party Money Manager(s)

REVIEWS: These client accounts will refer to the third-party money manager's brochure (or other disclosure document used in lieu of the brochure) for information regarding the nature and frequency of reviews provided by that independent registered investment adviser.

SFS will provide reviews on a quarterly basis.

These accounts are reviewed by: an investment committee comprised of: Mr. Gregory Seal and Ms. Janet McCoy.

REPORTS: Clients should refer to the third-party money manager's brochure (or other disclosure document used in lieu of the brochure) for information regarding the nature and frequency of reports provided by that independent registered investment adviser.

SFS will provide reports in addition to those provided by the independent registered investment adviser selected to manage the client's assets upon request.

Financial Planning Services

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

REPORTS: Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

Single Purpose / Limited Scope Consulting Services

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting Services clients unless otherwise contracted for. Such reviews will be conducted by the client's account representative.

REPORTS: Consulting Services clients will not typically receive reports due to the nature of the service.

Item 14 Client Referrals and Other Compensation

It is SFS's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is SFS's policy not to allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients unless approved in writing in advance by the Chief Compliance Officer of SFS.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our clients may choose to have fees directly debited from their accounts or may send a check for payment of fees.

If clients elect to have fees deducted directly from their accounts, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Our firm does not have actual or constructive custody of client accounts.

Item 16 Investment Discretion

Portfolio Investment Advisory Services

Clients give SFS limited discretionary authority with respect to the purchase and sale of fixed income investments to include certificates of deposits and money market funds purchased through Charles Schwab Institutional, Fidelity Investments, ANB Bank, Colorado State Bank and Trust and Steele Street Bank & Trust. Clients give us discretion to choose the exact amount of the trade, the price of the security, the issuer and the maturity date based upon market conditions at the time of placing the order. Adviser is also given discretion to move cash from the sweep account to a money market fund paying a higher yield. All other recommendations and securities not mentioned above are presented to the Client and approval is obtained before purchases or sales are made.

Clients give us this limited discretionary authority when they sign a client agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Trust Accounts

We may also be given discretion in connection with the management of funds held by certain trusts. The trusts may have a single corporate trustee that is either a bank, a subsidiary of a bank or a trust company; or the trust may have co-trustees consisting of a bank or trust company together with an individual client.

In connection with the management of trust accounts, we are typically given the discretionary authority to determine which securities and the amounts of securities that are to be bought or sold for their account(s). We will only act in this capacity when we receive this authority in writing signed by the trustee(s). The discretion is exercised within the parameters established by the applicable trust document, the investment policy statement and by the trustees.

Item 17 Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

Item 18 Financial Information

SFS has no additional financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement. SFS has not been the subject of a bankruptcy petition at any time during the past ten years.