



FORM ADV PART 2A BROCHURE

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This Brochure provides information about the qualifications and business practices of Diversified Financial Advisors, LLC (the "Firm"). If you have any questions about the contents of this Brochure, please contact us at 800.307.0376. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Diversified Financial Advisors, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Diversified Financial Advisors, LLC is 118261. Diversified Financial Advisors, LLC is a registered investment adviser. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

Item 2 - Summary of Material Changes

Form ADV Part 2a 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.

The Firm's last annual amendment was filed on March 29, 2016. An update was filed on September 20, 2016. There are no material changes to be reported at this time.

If you would like a current copy of our brochure at any time, free of charge, please contact us at 14323 South Outer Forty Drive, Suite 210 South, Town & Country, Missouri 63017 or 800.307.0376.

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Item 4 - Advisory Business

Diversified Financial Advisors, LLC (the "Firm") is a registered investment adviser based in Town & Country, Missouri. Formerly known as John J. Moynihan dba Diversified Financial Concepts, the Firm has been providing investment advisory services since 1995. In 2006, the Firm organized as a limited liability company under the laws of the State of Missouri. John Moynihan is the principal owner and serves as President.

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. As used in this Brochure, the words "we", "our" and "us" refer to Diversified Financial Advisors, LLC and the words "you", "your" and "client" refer to you as either a client or prospective client of our Firm. Also, you may see the term "Associated Person" throughout this Brochure. As used in this Brochure, our Associated Persons are our Firm's officers, employees, and all individuals providing investment advice on behalf of our Firm.

We primarily offer advice on mutual funds and Exchange Traded Funds ("ETFs"). However, we will also offer advice on equity securities, warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities, US Government securities, options contracts on securities and interests in partnerships investing in real estate and oil and gas.

Currently, we offer the following investment advisory services:

A. Asset Management Services

Our investment advice is tailored to meet our clients' individual needs and investment objectives. If you retain our Firm for asset 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 asset management services, we may customize an investment portfolio for you in accordance with your Suitability Information. Once we construct an investment portfolio for you, we will monitor your portfolio's performance on an ongoing basis, and will rebalance the portfolio as required by changes in market conditions and/or your financial circumstances.

Our services may be offered on a discretionary or a non-discretionary basis. If you engage the Firm to perform discretionary asset management services, we require you to grant our Firm a limited power of attorney to manage your account. Discretionary authorization will allow our Firm to determine the specific securities (mutual funds and/or ETFs), and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement and/or a limited power of attorney form which is required by the qualified custodian for your accounts. 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 a non-discretionary arrangement with our Firm, we must obtain your approval prior to executing any transactions on behalf of your account.

B. Retirement Plan Advisory Services

We offer retirement plan advisory services to defined contribution retirement plans (the "Plan(s)") and to the Plan's named fiduciary (the "Plan Sponsor"). These services may include either discretionary or non-discretionary investment advice concerning the retirement plan's investment options that are available to participants in the plan.

Investment Adviser 3(21) Fiduciary Services: The Firm shall serve as an "Investment Adviser" and a "fiduciary" within the meaning of Section 3(21) of Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, with respect to accounts in the Plan. (Although 3(21) fiduciaries provide advice, they do not take control of plan assets, so the Plan Sponsor retains the final say regarding implementation of the recommended investment options.)

If we are engaged as an Investment Adviser, we will provide recommendations concerning the selection of the investment options for the Plan, as well as the replacement, addition or removal of such options on an ongoing basis. In general, these services may include an existing plan review and analysis, investment performance monitoring, and/or ongoing consulting. In providing these services, we will have the ongoing responsibility to select or make recommendations based upon the needs of the Plan. While the ultimate decision to act on behalf of the Plan shall remain with the Plan Sponsor, we will generally provide assistance with the implementation of our recommendations after approval by said Plan Sponsor.

Investment Manager 3(38) Fiduciary Services: The Adviser shall serve as an “Investment Manager” and a “fiduciary” within the meaning of Section 3(38) of ERISA with respect to accounts in the Plan. (A Section 3(38) fiduciary, is an “Investment Manager” that has discretion, authority and control of a plan’s assets. Under ERISA, a Plan Sponsor can delegate the job of selecting, monitoring and replacing plan investments to the Investment Manager, but the Plan Sponsor retains liability for the selection, monitoring and benchmarking of the Investment Manager.)

If we are engaged as an Investment Manager, we will select the investment options that are to be offered to the Plan’s participants. We will also monitor the selected investment options and make changes to them as necessary. In addition, we may offer assistance with respect to the establishment and maintenance of an investment policy statement for the Plan.

We shall be responsible for selecting the Qualified Default Investment Alternatives (“QDIA”) for the Plan as permitted under Section 404(c) of ERISA in the form of an investment fund or model portfolios that seek both long-term appreciation and capital preservation through a mix of equity and fixed income investments. Additional related services may also be offered in support of the plan and its fiduciaries.

Participant Services: In addition to providing plan-level advisory services, we may offer participant-level education services and may also assist with participant enrollment meetings and provide investment-related educational seminars to plan participants on such topics as diversification, risk tolerance and time horizon. Our educational seminars may include other investment-related topics specific to the particular plan.

We may also provide additional types of retirement plan advisory and consulting services to Plans on an individually negotiated basis. All services, whether discussed above or customized based upon a Plan Sponsor’s requirements, shall be detailed in a written agreement and be consistent with the parameters set forth in the plan documents.

C. Financial and Investment Planning Services

We offer broad-based 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. In limited circumstances, you may only require advice on a single aspect of the management of your financial resources. In these cases, we offer financial planning in a modular format addressing those specific interests or concerns.

Our financial planning services are based on the financial information you provide to our Firm. You must promptly notify our Firm if your financial situation, goals, objectives, or needs change. 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 our recommendations through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage Firm.

D. Selection of Third Party Money Manager

We may recommend that you utilize the services of a third party money manager ("TPMM") to manage a portion of or your entire portfolio. All TPMMs recommended to you must be registered as investment advisers either with the SEC or with the appropriate state authorities. After gathering your Suitability Information, we will make recommendations regarding the suitability of investing with a TPMM. Upon selection of a TPMM, we will monitor the performance of the TPMM to ensure their performance and investment style remains aligned with your investment goals and objectives. You may be required to sign an agreement directly with the TPMM selected. You, our Firm, or the TPMM, in accordance with the provisions of those agreements, may terminate the advisory relationship.

Assets Under Management

As of December 31, 2016, we manage \$187,181,750.19 in client assets on a discretionary basis and \$46,155,136.40 in client assets on a non-discretionary basis.

Item 5 - Fees and Compensation

A. Asset Management Services

Clients will generally pay a fee based on the size of the account, complexity of the portfolio, extent of activity in the account, or other reasons agreed upon by you and our Firm. Advisory fees are negotiable but will not exceed 1.50% per annum on the assets under management.

Our asset management services fee is billed and payable quarterly in advance based on the value of your account on the last day of the previous quarter. If the asset 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.

The qualified custodian holding your funds and securities will deduct our advisory fee directly from your account. They will deduct our advisory fee only when you have given our Firm written authorization permitting the fees to be paid directly from your account according to the agreement. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show the amount of our advisory fee deducted from your account each billing period. You should review all statements for accuracy.

Either party to our service agreement may terminate the arrangement as outlined in the service agreement, upon thirty (30) days prior written notice to the other party. The service fees will be prorated for the billing period in which the termination notice is given and any unearned fees will be refunded to the client.

B. Retirement Plan Advisory Services

The compensation arrangement for the Retirement Plan Advisory Services is an asset based fee which is negotiable but will not exceed 1.25% per annum. All payment arrangements will be negotiated and outlined in our service agreement based upon the account size, complexity and services being rendered. Our retirement plan advisory service fee is billed either monthly or quarterly in arrears as required by the Plan's administrator or record keeper. Under the average daily balance method, each day's balance for the billing cycle is summed then divided by the number of days in the cycle, to compute the average daily balance. The average daily balance is then multiplied by the monthly or quarterly fee. Our advisory fees for the customized services referenced in Item 4 will be negotiated with the plan sponsor or named fiduciary on a case-by-case basis.

Either party to our service agreement may terminate the arrangement as outlined in the service agreement, upon thirty (30) days prior written notice to the other party. After the last day of service, all fees due and payable will be submitted for payment to the Plan's administrator or record keeper.

C. Financial and Investment Planning Services

We charge an hourly fee of \$250 for financial planning services, which is negotiable depending on the scope and complexity of your situation and your financial 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 and request that you approve the additional fee.

We require that you pay 50% of the fee in advance and the remaining portion 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. You may terminate the financial planning agreement by providing 30 days written notice to our Firm. You will incur a pro rata charge for services rendered prior to the termination of the agreement. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

D. Selection of Third Party Money Managers

Our Firm will not share in the fee paid by you to the TPMM. Fees paid by you to the TPMM are established and payable in accordance with the disclosure document provided by each TPMM to whom you are referred and these fees may or may not be negotiable. Such compensation may differ depending upon the individual agreement we have with each TPMM.

If you are referred to TPMMs you will receive full disclosure, including services rendered and fee schedules, at the time of the referral by delivery of a copy of the relevant TPMM's disclosure document. In addition, if the investment program recommended to you is a wrap fee program, you will also receive the Appendix 1 or equivalent wrap fee Brochure provided by the sponsor of the program. Our Firm or the TPMM will provide you with all appropriate disclosure statements.

If the advisory agreement is terminated and TPMM is compensated in advance, you will receive a pro rata refund of any prepaid advisory fees.

Terminating Agreements and Fee Refunds

A client who is party to any service agreement executed may terminate the agreement by providing thirty (30) days written notice to our Firm. You will incur a pro rata charge for services rendered prior to the termination of the agreement. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

Additional Fees and Expenses

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds, exchange traded funds or other investment vehicles. 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, exchange traded funds or other investment vehicles. The fees are reflected in the Net Asset Value of the mutual fund or ETF held in your account. A description of the fees charged by the funds can be found in the fund prospectus. The fund prospectus will be mailed directly to the client's address of record by the custodian upon initial purchase. These fund fees will generally include a management fee and other fund expenses. Diversified Financial Advisors does not share or receive any portion of the management fee or other fund expenses, nor do we receive any compensation from the sale of these products.

You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. Diversified Financial Advisors does not share in any portion of the brokerage fees/transaction charges imposed by the custodian.

Other Compensation

Associated Persons providing investment advice on behalf of our Firm are also licensed as independent insurance agents. Associated Persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by Associated Persons are separate and apart from our advisory fees. This practice presents a potential conflict of interest because Associated Persons providing investment advice on behalf of our Firm who are insurance agents may have an incentive to recommend insurance products to you for the purpose of generating commission. However, you are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our Firm.

Associated Persons providing investment advice on behalf of our Firm are also registered representatives of LPL Financial, LLC ("LPL"), a broker-dealer that is also the qualified custodian servicing our client's accounts. In this capacity, Associated Persons may recommend mutual funds, exchange traded funds, and other securities offered by LPL as part of a client's investment portfolio. It should be noted that our Firm does not retain 12b-1 fees or other sales charges and commissions on the accounts of advisory clients.

Any material conflicts of interest between you and our Firm, or our employees are disclosed in this Disclosure Brochure. If at any time, additional material conflicts of interest develop, we will provide you with written notification of the material conflicts of interest or an updated Disclosure Brochure.

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

We will not charge performance-based fees where an adviser's fee would be based on a share of capital gains or capital appreciation of the client assets. As such, there are no conflicts of interest to disclose at this time.

Item 7 - Types of Clients

We primarily offer investment advisory services to individuals, high-net-worth individuals, pension, profit sharing and 401(k) plans, trusts, estates, charitable organizations, corporations, and other business entities.

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

Our Methods of Analysis and Investment Strategies

We generally use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

- **Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.
- **Technical Analysis** - involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.
- **Cyclical Analysis** - a type of technical analysis that involves evaluating recurring price patterns and trends.

- Long Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period-of-time, generally greater than one year.
- Short Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period-of-time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

Our 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.

Risks of Methods of Analysis

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.

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.

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.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Recommendation of Particular Types of Securities

As disclosed under the "Advisory Business" section in this Brochure, we primarily recommend mutual funds and ETFs; however, we may recommend other types of investments as appropriate for you since each client has different needs and 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. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Mutual funds and exchange traded funds 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.

Exchange traded funds 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. 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. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely which can dilute other investors' interests.

All investment programs carry the risk of loss and there is no guarantee that any recommended investment strategy will meet its objectives.

All investment strategies inherently expose our clients to various types and varying degrees of risk. Below, we discuss those risks in greater detail:

- **Political Risks.** Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- **General Market Risks.** Markets can, as a whole, go up or down after various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason, and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.
- **Currency Risk.** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Derivatives Risk.** Investments in futures and options are considered "derivative" investments. A small investment in derivatives could have a potentially large impact on performance. The use of derivatives involves risks different from or possibly greater than the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value. There is the risk that the hedging technique will fail if changes in the value of a derivative held do not correlate with the portfolio securities being hedged.
- **Regulatory Risk.** Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.
- **Risks Related to Investment Term.** If a client requires a liquidation of their portfolio during a period in which the price of the security is low, the client may not realize as much value as they might have had the investment had the opportunity to regain its value, as investments frequently do, or had it been able to be reinvested in another security.
- **Purchasing Power Risk.** Purchasing power risk is the risk that an investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.
- **Business Risk.** Many investments, including many Index Funds and Target-Date Funds, contain interests in operating businesses. Business risks are risks associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

- **Liquidity Risk.** Liquidity is the ability to readily convert an investment into cash. For example, Treasury Bills are highly liquid, while real estate properties are not. Some securities are highly liquid while others are highly illiquid. Illiquid investments carry more risk because it can be difficult to sell them.

- **Financial Risk.** Many investments, including many Index Funds and Target-Date Funds, contain interests in operating businesses. Excessive borrowing to finance a business' operations decreases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

- **Default Risk.** This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.

- **Management Risk.** Investments may vary with the success and failure of investment strategies selected and implemented by the management of this Firm. If investment strategies do not produce the expected returns, the value of investments may decrease.

Item 9 - Disciplinary Information

Our Firm does not have any legal, financial or other disciplinary item to report. We are obligated to disclose any disciplinary event that would be material to a client or perspective client when they are determining to initiate a Client/Adviser relationship, or to continue a Client /Adviser relationship with us. This statement applies to our Firm and all employees registered with the Firm.

Item 10 - Other Financial Industry Activities and Affiliations

Registrations with Broker-Dealer

Associated Persons providing investment advice on behalf of our Firm are also registered representatives of LPL Financial LLC, a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. LPL is not affiliated with our Firm.

Licensed as an Insurance Agent

Associated Persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by Associated Persons are separate from our advisory fees. Please see the "Fees and Compensation" section in this Brochure for more information on the compensation received by insurance agents who are affiliated with our Firm.

Recommendation of Third Party Money Managers

We may recommend that you use of third party money managers ("TPMM") if deemed suitable for a client's situation. We will receive compensation from the TPMM for recommending that you use their services. These compensation arrangements present a conflict of interest because we have a financial incentive to recommend the services of the third party adviser. You are not obligated, contractually or otherwise, to use the services of any TPMM we recommend.

Other Registrations

Currently, there is no pending application for registration as a futures commission merchant, commodity pool operator, commodity trading advisor or an associated person or any management person.

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. Associated Persons with our Firm are 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 Associated Persons. 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.

Participation or Interest in Client Transactions

Neither our Firm nor any of our Associated Persons has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this Brochure.

Personal Trading Practices

Our Firm or an Associated Person may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our Associated Persons nor the Firm shall have priority over your account in the purchase or sale of securities.

Item 12 - Brokerage Practices

We recommend the brokerage and custodial services of LPL Financial, LLC ("LPL"), a securities broker-dealer and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. We believe that LPL provides quality execution services for you 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 LPL, 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 LPL provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

For client accounts custodied at LPL, LPL is generally compensated by clients through commissions, trails, or other transaction-based fees for trades that are executed through LPL or that settle into LPL accounts. For IRA accounts, LPL generally charges account maintenance fees.

LPL makes available to the Firm services intended to help the Firm manage and further develop its business. Some of these services assist us to better monitor and service program accounts maintained at LPL, however, many of these services benefit our Firm only, for example, services that assist our Firm in growing its business. These support services and/or products may be provided without cost, at a discount, and/or at a negotiated rate, and include practice management-related publications; consulting services; attendance at conferences and seminars, meetings, and other educational and/or social events; marketing support; and other products and services used by our Firm in furtherance of the operation and development of our investment advisory business.

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 LPL. 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.

Persons providing investment advice on behalf of our Firm who are registered representatives of LPL will recommend LPL to you for brokerage services. These individuals are subject to applicable rules that restrict them from conducting securities transactions away from LPL unless LPL provides the representative with written authorization to do so. Therefore, these individuals are generally limited to conducting securities transactions through LPL. It may be the case that LPL charges higher transactions costs and/or custodial fees than another broker charges for the same types of services.

If transactions are executed through LPL on behalf of an advisory account, individuals with our Firm will not accept commission-based compensation in their capacity as registered representatives of LPL. Clients need to be aware that the receipt of commissions in addition to advisory fees creates a conflict of interest. We address this conflict of interest by not accepting commission-based compensation for advisory accounts where we charge a fee.

You may utilize the broker-dealer of your choice and have no obligation to purchase or sell securities through such broker as we recommend. However, if you do not use LPL, we may not be able to accept your account. Please see the "Item 5 - Fees and Compensation" section in this Brochure for more information on the compensation received by registered representatives who are affiliated with our Firm.

Item 13 - Review of Accounts

Your advisory representative will monitor your accounts on a periodic basis and will conduct account reviews at least annually to ensure the advisory services provided to you and that the portfolio mix are consistent with your current investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals,
- year-end tax planning,
- 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

As disclosed under the "Fees and Compensation" section in this Brochure, Associated Persons providing investment advice on behalf of our Firm are licensed insurance agents as well as registered representatives with LPL, a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. For information on the conflicts of interest this presents, and how we address these conflicts, please refer to the "Fees and Compensation" section.

Firms or persons soliciting advisory clients on behalf of the Firm are compensated for their referrals. The value of the compensation is proportional to the advisory fees generated by the capital contributions of the clients introduced by these firms or persons. A formal solicitor's agreement has been entered into with the firms or with such person's supervising firm.

When such an agreement is entered, it specifies the percentage of the client fees to be paid as solicitor's fees and requires the solicitor to provide written disclosure of the arrangement with the Firm including the method of compensation, to the client via a signed disclosure statement. The client's countersignature is required on the disclosure statement prior to the Firm executing any trades

Item 15 - Custody

We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with an independent, qualified custodian. The custodian will directly debit your account(s) for the payment of our advisory fees. You will receive account statements from the 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.

Item 16 - Investment Discretion

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement 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. All investment restrictions, guidelines, and/or other investment conditions or parameters for your account(s) must be provided in writing and delivered to your investment adviser. For example, you may specify that no investment should be made in a particular stock or industry.

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

Unless engaged to do so in writing, we will not vote proxies on behalf of your advisory accounts. 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.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our Firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

In limited circumstances, where engaged for discretionary investment management services to certain retirement plans holding applicable securities, we will determine how to vote proxies based on our reasonable judgment of the vote most likely to produce favorable financial results for the client. Proxy votes generally will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders. Generally, proxy votes will be cast against proposals having the opposite effect. However, we will consider both sides of

each proxy issue. Unless we receive specific instructions from you, we will not base votes on social considerations.

In certain circumstances, conflicts of interest between you and our Firm, or a principal of our Firm, regarding certain proxy issues could arise. If we determine that a material conflict of interest exists, we will take the necessary steps to resolve the conflict before voting the proxies. For example, we may disclose the existence and nature of the conflict to you, and seek direction from you as to how to vote on a particular issue; we may abstain from voting, particularly if there are conflicting interests for you (for example, where your account(s) hold different securities in a competitive merger situation); or, we will take other necessary steps designed to ensure that a decision to vote is in your best interest and was not the product of the conflict.

We keep certain records required by applicable law in connection with our proxy voting activities. You may obtain information on how we voted proxies and/or obtain a full copy of our proxy voting policies and procedures by making a written or oral request to our Firm.

Item 18 - Financial Information

We have no financial commitments that might impair our current or future ability to meet our contractual commitments to clients and we have not been the subject of a bankruptcy petition at any time during the past ten years.