

# Disclosure Brochure

## ADV Part 2A

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April 25, 2013

This Brochure provides important information about our firm, business practices and the services we offer to you. We are providing the information in accordance with Rule 204-3 of the Investment Advisers Act of 1940 that requires a registered investment adviser to supply a written disclosure document to individuals prior to entering in to any advisory relationship. If you have any questions about the contents of this Brochure, please contact us at 214-637-9500. 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 CFO4Life, L.P. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for CFO4Life, L.P. is 146904.

## **Item 2 – Material Changes**

This Brochure has been revised as follows:

Item 4 – Advisory Services – to update the assets under management information.

The previously filed ADV Part 2A is dated February 27, 2013. Our clients are strongly encouraged to read this Brochure in its entirety prior to engaging CFO4Life, L.P. for any services.

Pursuant to SEC rules, CFO4Life, L.P. will ensure that clients receive a summary of any materials changes to this Brochure within 120 days of the close of our fiscal year, along with a copy of this Brochure or an offer to provide the Brochure. Additionally, as CFO4Life, L.P. experiences material changes in the future, we will send you a summary of our “Material Changes” under separate cover. We may further provide other ongoing disclosure information about material changes as necessary. Our Brochure may be requested by contacting Crystal Hawkins direct at 214-637-9513 or Nora Brazier direct at 214-637-9515, or Amy Legate direct at 214-637-9523.

Additional information about CFO4Life, L.P. is also available via the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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## **Item 4 – Advisory Business**

### **A. Introduction**

CFO4Life, L.P. (“CFO4Life” or “the Firm”) is an SEC registered Investment Advisory firm located in Coppell, TX that was formed in 2006. CFO4Life is currently notice filed in various states, which is reflected on our ADV Part 1 and can be viewed at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Our registration as an Investment Adviser does not imply any level of skill or training.

The oral and written communications we provide to you, including this Brochure, is information that you may use in your decision to hire us or continue a professional and mutually beneficial relationship with us. This Brochure provides information about our qualifications and business practices.

### **B. Ownership**

CFO4Life is a privately owned limited partnership headquartered in Coppell, Texas. CFO4LifeTX, LLC owns 99% and BGLL, Inc. owns 1%. For a full outline of indirect owners, please refer to Schedule B of ADV Part 1.

### **C. Financial Planning and Advisory Services**

CFO4Life offers the following services:

1. Comprehensive Financial Planning and Investment Management Services to affluent individuals and business executives
2. Advisory Services to Retirement Plans
3. Corporate Services – Investment Education and Financial Wellness

A description of each service is provided below.

#### **Comprehensive Financial Planning Services**

CFO4Life offers personal comprehensive financial planning services to set forth goals, objectives and implementation strategies for the client over the long-term. The comprehensive financial plan may include recommendations for retirement planning, educational planning, estate planning, cash flow planning, tax planning and insurance needs and analysis. CFO4Life prepares and provides the financial planning client with a written comprehensive financial plan and performs quarterly, semi-annual or annual reviews of the plan with the client, dependent on the client’s needs in accordance with the Financial Planning agreement. Clients should notify us promptly anytime there is a change in their financial situation, goals, objectives, or needs and/or if there is any change to the financial information initially provided to us.

Clients are under no obligation to implement any of the recommendations provided in their written financial plan. However, should a client decide to proceed with the implementation of the investment recommendations then the client can either have CFO4Life implement those recommendations or utilize the services of any investment adviser or broker-dealer of their choice.

CFO4Life cannot provide any guarantees or promises that a client's financial goals and objectives will be met.

#### Investment Management Services

CFO4Life offers investment management services on a discretionary basis. All investment advice provided is customized to each client's investment objectives and financial needs. The information provided by the client, together with any other information relating to the client's overall financial circumstances, will be used by CFO4Life to determine the appropriate portfolio asset allocation and investment strategy for the client.

The securities utilized by CFO4Life for investment in client accounts mainly consist of registered mutual funds and exchange traded funds (ETFs), but we may invest in equity securities, corporate bonds, REITS and variable annuities, among others, if we determine such investments fit within a client's objectives and are in the best interest of our clients. Please refer to Item 8 for detailed information on our method of analysis and the risks involved with these types of securities.

CFO4Life is also the sponsor of a wrap-fee program, which provides clients with access to the Envestnet Asset Management, Inc. ("Envestnet") Private Wealth Management Program. Under this program, CFO4Life selects one or more third party portfolio managers ("Money Managers") to manage portions of its investment management clients' portfolios in accordance with the investment methodology and philosophy used by the selected Money Manager(s). For more information relating to CFO4Life's wrap fee program, please refer to Appendix 1 of this document, titled the "Wrap Fee Program Brochure."

#### Advisory Services to Retirement Plans

CFO4Life offers non-discretionary advisory services to 401K Plans, which may include, depending on the needs of the 401k Plan client, recommending investment options for plans to offer to participants, ongoing monitoring of a plan's investment options, assisting plan fiduciaries in creating and/or updating the plan's written investment policy statements, working with plan service providers, and providing general investment education to plan participants.

Education for plan participants cover information regarding: 1) Financial Planning, 2) Risk Management, 3) Types of Investments, 4) Estate Planning, and 5) Taxes which is provided in the form of written materials and seminars.

Corporate Services – Investment Education and Financial Wellness CFO4Life offers services to corporations that include investment education for corporate executives, economic updates for corporate investment committees and/or benefits coordinators, and financial wellness for corporate executives.

Education for executives covers educational information regarding: 1) Financial Planning, 2) Risk Management, 3) Types of Investments, 4) Estate Planning, and 5) Taxes which is provided in the form of written materials and seminars.

Economic updates are generally provided during face-to-face meetings covering items such as the state of the economy, forecasts for growth, inflations, interest rates and other key economic factors, and analysis of current levels of the stock market, recent news and other current hot topics.

Financial Wellness is a benefit that corporations can provide to their employees through CFO4Life wherein CFO4Life will meet with the employees to discuss overall objectives, needs and goals, deliver a written financial plan to the employees and then provide ongoing monitoring of the employee's goals and expectations while updating the plan accordingly. Employees are under no obligation to implement any recommendations provided in their written financial plan. However, should an employee decide to proceed with the implementation the investment recommendations, then the employee has the option of entering into a separate engagement with CFO4Life and can either have CFO4Life implement the recommendations, or the employee can utilize the services of another investment adviser or broker-dealer of their choice.

#### **D. Important Information Relating to CFO4Life's Services**

##### **Information Received From Clients**

CFO4Life will not assume any responsibility for the accuracy of the information provided by the client. We are not obligated to verify any information received from the client or other professionals (e.g., attorney, accountant, etc.) designated by client, and CFO4Life is expressly authorized by the client to rely on such information provided. Under all circumstances, clients are responsible for promptly notifying CFO4Life in writing of any material changes to the client's financial situation, investment objectives, time horizon, or risk tolerance. In the event that a client notifies CFO4Life of changes in the client's financial circumstances or investment objectives, we will review such changes and recommend any necessary revisions to the client's portfolio.

##### **Client Agreements and Disclosures**

Prior to engaging CFO4Life to provide services, the client will be required to enter into one or more written agreements with us setting forth the terms and conditions under which the Firm shall render its services (collectively the "Agreement"). In accordance with Rule 204-3 under the Investment Advisers Act of 1940, as amended ("Advisers Act"), CFO4Life will provide a brochure and one or more brochure supplements (ADV Part 2B) to each client prior to or contemporaneously with the execution of the Agreement. The Agreement between CFO4Life and the client will continue in effect until terminated by either party pursuant to the terms of the Agreement. CFO4Life's annual fee shall be prorated through the date of termination as defined in the Agreement and any remaining balance shall be charged or refunded to the client, as appropriate, in a timely manner.

Neither CFO4Life nor the client may assign the written agreement without the consent of the other party. Transactions that do not result in a change of actual control or management of CFO4Life shall not be considered an assignment.

## **E. Assets Under Management**

As of March 31, 2013, the following represents the amount of client assets under management by CFO4Life on a discretionary and non-discretionary basis:

Type of Account	Assets Under Management (AUM)
Discretionary	\$131,482,669.00
Non-Discretionary	\$ 155,275,144.00
Total	<b>\$286,757,813.00</b>

As outlined in Item 10 below, the investment adviser representatives (IARs) of CFO4Life are also registered representatives (RRs) with Ausdal Financial Partners (“Ausdal”), a registered broker-dealer and member of FINRA. These RRs have client brokerage accounts that total \$238,187,575. in assets as of March 31, 2013. These assets are not managed by CFO4Life and are not included in the AUM amount listed above.

Total advisory and brokerage assets as of March 31, 2013 are \$524,945,338.

## **Item 5 – Fees and Compensation**

### **A. Financial Planning and Advisory Fees**

CFO4Life charges fees based on a percentage of assets under management as well as fixed fees, depending on the particular types of services to be provided. The specific fees charged by CFO4Life for services provided will be set forth in each client’s Agreement.

#### *Fees for Comprehensive Financial Planning Services*

Financial Planning clients are charged an annual fixed fee ranging from \$10,000 to \$15,000, depending on the complexity of a client’s plan and services provided. Initially, 25% of the annual fee is due upon entering into the agreement with the Firm and the remainder of the annual fee is charged quarterly thereafter based on a calendar quarter. Actual fees charged are clearly outlined in the financial planning agreement and clients receive invoices reflecting the amount of the fee due and payable. Please refer to “Additional Information Regarding Fees” below for more detailed information regarding fees paid by CFO4Life clients.

#### *Fees for Investment Management Services*

Investment Management clients are charged a quarterly asset management fee based on the account’s assets under management (AUM) as of the close of business on the last business day of the preceding calendar quarter. Asset management fees are calculated and paid quarterly in advance based on the following annual percentages:

- 1.50% on \$1,000,000 to \$3,000,000
- 1.25% on \$3,000,001 to \$5,000,000
- 1.00% over \$5,000,000

Lower fees for comparable services may be available from other sources. These fees may be negotiated by CFO4Life under certain circumstances, and at the sole discretion of CFO4Life.

Unless otherwise arranged by the client, our advisory fees are automatically deducted from a client's account by the custodian of the account upon receipt of an invoice from us and as soon as reasonably practicable after the end of each calendar quarter. For accounts opened or closed after the beginning of a new calendar quarter, our fees may be prorated.

#### *Fees for Sponsored Wrap Programs*

Investment Management clients that participate in CFO4Life's wrap fee program are charged a separate fee on those assets. The wrap fee includes CFO4Life advisory/wrap sponsor fee (which includes trade execution costs), fees to Envestnet as the program provider, and fees to the selected Money Manager(s) for investment management services. The wrap fee paid by clients in the wrap program differ from CFO4Life's typical investment management fee in that the wrap fee is inclusive of trade executive costs, while in a non-wrap program account, the client pays trade execution costs directly to the broker, and such costs are in addition to the investment management fee charged by CFO4Life.

Fees on wrap fee program accounts are negotiable between CFO4Life and the client, and are generally based on the client's total relationship with CFO4Life. Currently, the total annual account fee for wrap fee program accounts ranges from 1.00% to 1.65%, and may not exceed 3%. For more information relating to CFO4Life's wrap fee program, please refer to Appendix 1 of this document, titled the "Wrap Fee Program Brochure."

#### *Fees for Advisory Services to Retirement Plans*

Advisory clients are charged an annual fixed fee ranging from \$30,000 to \$200,000, depending on the complexity of the services provided. Initially, 25% of the annual fee is due upon entering into the agreement with the Firm and the remainder of the annual fee is charged quarterly thereafter based on a calendar quarter. Actual fees charged are clearly outlined in the financial planning agreement and clients receive invoices reflecting the amount of the fee due and payable. Please refer to "Additional Information Regarding Fees" below for more detailed information regarding fees paid by CFO4 Life clients.

#### *Fees for Corporate Services*

Corporate clients are charged an annual fixed fee ranging from \$50,000 to \$250,000, depending on the actual services provided. Initially, 25% of the annual fee is due upon entering into the agreement with the Firm and the remainder of the annual fee is charged quarterly thereafter based on a calendar quarter. Actual fees charged are clearly outlined in the financial planning agreement and clients receive invoices reflecting the amount of the fee due and payable. Please refer to "Additional Information Regarding Fees" below for more detailed information regarding fees paid by CFO4 Life clients.

### **B. Additional Information Regarding Fees**

CFO4Life fees are negotiable and arrangements with any particular client may differ from those described above. CFO4Life may, in its sole discretion, waive its fees in their entirety for friends and family of the firm and/or reduce its fees for certain clients, and could change the above listed fee amounts at any time. Although CFO4Life believes that its fees are competitive, clients should understand that lower fees for comparable services may be available from other sources and firms.



The fees charged by CFO4Life do not include charges imposed by third parties such as custodian fees and mutual fund fees and expenses. Client assets may also be subject to transaction costs, retirement plan administration fees (if applicable), deferred sales charges on mutual funds initially deposited in the account, 12b-1 fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

Client assets invested in mutual funds will be subject to certain fees and expenses imposed directly by mutual funds to their shareholders, which shall be described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the sponsor also imposes sales charges, a client may pay initial or deferred sales or surrender charge. These fees and expenses are separate from and in addition to the fees charged by CFO4Life. Accordingly, the client should review the fees charged by any mutual funds in which the client's assets are invested, together with the fees charged by CFO4Life, to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Additionally, clients may incur brokerage commissions and other execution costs charged by the custodian or executing broker-dealer in connection with transactions for a client's account. Clients should further understand that all custodial fees and any other charges, fees and commissions incurred in connection with transactions for a client's account will be paid out of the assets in the account and are exclusive of and in addition to the fees charged by CFO4Life. We do not share in any of these fees but we may elect at our option, to bear the cost of certain transactions under certain circumstances. Please refer to Item 12 of this Brochure entitled "Brokerage Practices" for additional important information about the brokerage and transactional practices of CFO4Life.

### **C. Important Considerations**

#### **Compensation for Sales of Securities or Other Investment Products**

Certain representatives of CFO4Life, in their individual capacities, are also registered representatives of Ausdal Financial Partners, Inc. ("Ausdal"), a securities broker-dealer registered with the SEC and member of the Financial Industry Regulatory Authority ("FINRA"). In this capacity, these individuals may transact in various types of securities or investment products and may receive separate and typical compensation for doing so. Please refer to Item 10 below for detailed information on the conflicts surrounding this arrangement and the steps CFO4Life have in place to help mitigate the conflicts.

### **Item 6 – Performance-Based Fees and Side-by-Side Management**

CFO4Life, L.P. does not charge performance-based fees (fee based on a share of capital gains on or capital appreciation of the assets of a client). Consequently, CFO4Life does not engage in side-by-side management of accounts that are charged a performance-based fee with accounts that are charged another type of fee (such as assets under management). As described above, CFO4Life provides investment management services for a fee based upon a percentage of assets under management in accordance with SEC Rule 205(a)(1). Notably, accounts that are managed in the same investment style (e.g., moderately aggressive) may not be managed the same way due to the client's overall investment objective, asset size and account restrictions.

## **Item 7 – Types of Clients**

CFO4Life provides services to affluent individuals and business executives, trusts, estates, charitable organizations, corporations and other businesses. CFO4Life imposes a minimum portfolio size or a minimum initial investment of \$1,000,000 and a net worth of \$5,000,000 to open an account, but does reserve the right to waive these minimums or accept or decline a potential client for any reason in its sole discretion.

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

### **A. Methods of Analysis and Investment Strategies**

When providing investment advice, we base our analysis on creating a diversified portfolio (Asset Allocation Model) that is compatible with the clients' goals, objectives, risk tolerance and time horizon for investment. CFO4Life evaluates the client's investment holdings using software such as Morningstar, E-Money, VPM, Portfolio Manager and Portfolio Review Tool. CFO4Life will also utilize a variety of financial newspapers, newsletters and magazines, such as the Wall Street Journal, Barron's, Kiplinger Letter, and Economic Week to make investment recommendations.

Our recommendations and investments are based on the asset allocation model which considers each client's risk tolerance and time horizon for holding such investments. Utilizing mainly mutual funds and ETFs, we focus on allocating among three main asset classes: equities, fixed income and alternative investments, such as commodities and REITS. CFO4Life monitors clients' allocations and may redistribute investments in an effort to reduce risk and increase performance. Depending on its due diligence CFO4Life may invest significant positions in cash and/or fixed income securities as a possible hedge against market movement which we believe may adversely affect a client's portfolio. CFO4Life may sell certain investments for reasons that include, but are not limited to, overvaluation or overweighting of a position, change in the client's investment objectives and risk tolerance, indications of market downturns.

### **B. Risk of Loss**

Investing in securities involves a significant risk of loss which clients should be prepared to bear. CFO4Life's investment recommendations are subject to various market, currency, economic, political and business risks, and such investment decisions may not always be profitable. Clients should be aware that there may be a loss or depreciation to the value of the client's account. There can be no assurance that the client's investment objectives will be obtained and no inference to the contrary should be made.

Generally, the market value of equity stocks will fluctuate with market conditions, and small-stock prices generally will fluctuate more than large-stock prices. The market value of fixed income securities will generally fluctuate inversely with interest rates and other market conditions prior to maturity. Fixed income securities are obligations of the issuer to make payments of principal and/or interest on future dates, and include, among other securities: bonds, notes and debentures issued by corporations; debt securities issued or guaranteed by the U.S. government or one of its agencies or instrumentalities, or by a non-U.S. government or one of its agencies or instrumentalities; municipal securities; and mortgage-backed and asset-backed securities. These securities may pay fixed, variable, or floating rates of interest, and

may include zero coupon obligations and inflation-linked fixed income securities. The value of longer duration fixed income securities will generally fluctuate more than shorter duration fixed income securities. Investments in overseas markets also pose special risks, including currency fluctuation and political risks, and it may be more volatile than that of a U.S. only investment. Such risks are generally intensified for investments in emerging markets. In addition, there is no assurance that a mutual fund or ETF will achieve its investment objective. Past performance of investments is no guarantee of future results.

Additional risks involved in the securities recommended by CFO4Life may include, among others:

- *Stock market risk*, which is the chance that stock prices overall will decline. The market value of equity securities will generally fluctuate with market conditions. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. Prices of equity securities tend to fluctuate over the short term as a result of factors affecting the individual companies, industries or the securities market as a whole. Equity securities generally have greater price volatility than fixed income securities.
- *Sector risk*, which is the chance that significant problems will affect a particular sector, or that returns from that sector will trail returns from the overall stock market. Daily fluctuations in specific market sectors are often more extreme than fluctuations in the overall market.
- *Issuer risk*, which is the risk that the value of a security may decline for reasons directly related to the issuer, such as management performance, financial leverage, and reduced demand for the issuer's goods or services.
- *Non-diversification risk*, which is the risk of focusing investments in a small number of issuers, industries or foreign currencies, including being more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be.
- *Value investing risk*, which is the risk that value stocks may not increase in price, may not issue the anticipated stock dividends, or may decline in price, either because the market fails to recognize the stock's intrinsic value, or because the expected value was misgauged. If the market does not recognize that the securities are undervalued, the prices of those securities might not appreciate as anticipated. They also may decline in price even though in theory they are already undervalued. Value stocks are typically less volatile than growth stocks, but may lag behind growth stocks in an up market.
- *Smaller company risk*, which is the risk that the value of securities issued by a smaller company may go up or down, sometimes rapidly and unpredictably as compared to more widely held securities. Investments in smaller companies are subject to greater levels of credit, market and issuer risk.
- *Foreign (non-U.S.) investment risk*, which is the risk that investing in foreign securities may result in the portfolio experiencing more rapid and extreme changes in value than a portfolio that invests exclusively in securities of U.S. companies. Investments in emerging markets are generally more volatile than investments in developed foreign markets.

- *Interest rate risk*, which is the chance that prices of fixed income securities will decline because of rising interest rates. Similarly, the income from fixed income securities may decline because of falling interest rates.
- *Credit risk*, which is the chance that an issuer of a fixed income security will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that fixed income security to decline.
- *Exchange Traded Fund (ETF) risk*, which is the risk of an investment in an ETF, including the possible loss of principal. ETFs typically trade on a securities exchange and the prices of their shares fluctuate throughout the day based on supply and demand, which may not correlate to their net asset values. Although ETF shares will be listed on an exchange, there can be no guarantee that an active trading market will develop or continue. Owning an ETF generally reflects the risks of owning the underlying securities it is designed to track. ETFs are also subject to secondary market trading risks. In addition, an ETF may not replicate exactly the performance of the index it seeks to track for a number of reasons, including transaction costs incurred by the ETF, the temporary unavailability of certain securities in the secondary market, or discrepancies between the ETF and the index with respect to weighting of securities or number of securities held.
- *Management risk*, which is the risk that the investment techniques and risk analyses applied by CFO4Life may not produce the desired results and that legislative, regulatory, or tax developments, may affect the investment techniques available to CFO4Life. There is no guarantee that a client's investment objectives will be achieved.

Clients are advised that they should only commit assets for management that can be invested for the long term, that volatility from investing can occur, and that all investing is subject to risk. CFO4Life does not guarantee the future performance of a client's portfolio, as investing in securities involves the risk of loss that clients should be prepared to bear.

### **Item 9 – Disciplinary Information**

Registered investment advisers, such as CFO4Life are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or prospective client's evaluation of CFO4Life or the integrity of CFO4Life management. CFO4Life has no disciplinary information to disclose.

### **Item 10 – Other Financial Industry Activities and Affiliations**

The investment adviser representatives (IARs) of CFO4Life are also registered representatives (RR) with the broker-dealer, Ausdal Financial Partners ("Ausdal"). In this capacity, such RRs may offer securities or alternative investments and receive normal and customary fees or commissions as a result of these transactions. In addition, these individuals may also receive additional ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that the client maintains the mutual fund investment. In addition, Mr. McMellian is an investment adviser representation of Ausdal. In his role as investment adviser representative, Mr. McMellian conducts investment advisory services and participates in referral fees paid to Ausdal by third party advisers for client referrals.

Clients should be aware that the receipt of additional compensation itself creates an inherent conflict of interest, and may affect the judgment of these individuals when making recommendations. CFO4Life and Ausdal are separate, nonaffiliated entities. Nevertheless, to the extent that a CFO4Life representative recommends the purchase of securities or other investment products where the representative receives commissions for doing so, a conflict of interest exists because the representative may have an incentive to make recommendations based on the compensation received rather than on a client's needs.

CFO4Life has also adopted certain procedures designed to mitigate the effects of these conflicts. For example, as part of our fiduciary duty to clients, the Firm and our representatives will endeavor at all times to put the interests of the clients first, and recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the client. Additionally, the conflicts presented by these practices are disclosed to clients at the time of entering into an Agreement. Clients are not obligated to implement recommended transactions through any CFO4Life representative or any particular broker-dealer. Clients have the option to purchase any recommended investment products or services through brokers or agents other than Ausdal.

Certain IARs of CFO4Life also are licensed insurance agents, appointed by various life, health and disability insurance companies. In such a capacity they may offer insurance products as a recommendation to the financial plan and receive a normal and customary commission as a result of such a purchase. In addition, Mr. McMellian and Mr. Chastain have an arrangement with Hub International, a property and casualty insurance carrier, wherein Mr. McMellian or Mr. Chastain may offer such insurance products as a recommendation to certain clients. They will receive a portion of the normal and customary commissions paid by such clients upon purchase. This presents a conflict of interest to the extent that CFO4Life recommends that a client invest in a security, alternative investment, or insurance product which results in a commission or fee being paid to them.

CFO4Life clients are under no obligation to implement any recommendations and/or invest in securities through Ausdal or any insurance carrier and should understand that lower fees and/or commissions for comparable services may be available from other broker-dealers, insurance carriers and investment advisers.

The advisors of CFO4Life also may introduce their clients to a revolutionary new document storage and retrieval system through SAFE4Life. This online service offers secure, anytime, anywhere access to confidential client documents and records, and is designed to serve as a flexible, simple system to consolidate and protect the client's important information. In such a capacity the advisors of CFO4Life may offer this online service and receive a normal and customary fee as result of this service.

Two of CFO4Life's partners, Messrs. McMellian and Chastain also have ownership interests in the following affiliated companies:

- CFO4LifeTX, LLC – operating company (each own 35%). CFO4LifeTX, LLC owns 99% of CFO4Life, LP and 100% of LMBC, LLC, which provides consulting

and educational services to 401K and other retirement plans and their participants

- CFO4Life I, LLC, a payroll company (each own 35%)
- LMBC II, LLC - provides tax and business consulting services to corporations (each own 50%)
- BGLL, Inc. – serves as CFO4Life’s General Partner (each own 50%)
- Safe4Life, Inc. – provides document storage (each own 50%)
- 735 Plaza, LP – property owners of office building (each own 33%)

LMBC II, LLC has entered into a loan servicing agreement with Pennsylvania-based Tristate Capital Bank (“Tristate”), whereby Tristate will offer certain types of collateralized loans to LMBC II, LLC clients that have been referred to the bank by LMBC II, LLC. For each loan obtained by such clients, Tristate will pay a referral fee to LMBC II, LLC. There may be times when a LMBC II, LLC client referred to Tristate is also a client of CFO4Life. In addition, LMBC II, LLC also has entered into a referral agreement with Hub International (“Hub”), a licensed insurance broker, whereby Hub will pay LMBC II, LLC referral fees for referrals to Hub for placement of certain insurance policies. Hub will pay a referral fee to LMBC II, LLC and there may be certain times when a LMBC II, LLC client referred to Hub is also a CFO4Life client.

CFO4Life does not receive any portion of the referral fees, however, Messrs. McMellian and Chastain, as owners of LMBC II, LLC may receive an economic benefit from such referral fees. As owners of LMBC II, LLC and the other companies listed above, both Messrs. McMellian and Chastain share in the profits and losses of these companies. For complete details regarding the time spent, compensation received and potential conflicts with each of the above listed companies, please refer to ADV Part 2B – Supplemental Brochures for Messrs. McMellian and Chastain.

For detailed information regarding the outside business activities of our IARs, including the fees received, please refer to their respective Form ADV Part 2B.

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

### **A. Code of Ethics Summary**

CFO4Life has adopted a Code of Ethics (“Code”) which establishes standards of conduct for our supervised persons and includes general requirements that such supervised persons comply with their fiduciary obligations to clients and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest and confidentiality of client information. It contains written policies reasonably designed to prevent the unlawful use of material non-public information by the Firm or any of our associated persons. The Code also requires that certain of CFO4Life personnel (called “Access Persons”) report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

The Code also requires supervised persons to report any violations of the Code promptly to CFO4Life’s Chief Compliance Officer (“CCO”). Each supervised person receives a copy of the Code and any amendments to it and must acknowledge in writing having received the

materials. Annually, each supervised person must certify that he or she complied with the Code during that year.

CFO4Life will provide a copy of its Code of Ethics to any client or prospective client upon request by contacting us at (214) 637-9500.

### **B. Participation or Interest in Client Transactions**

It is CFO4Life's policy not to enter into any principal transactions or agency cross transactions on behalf of client accounts. Principal transactions occur where an adviser, acting as principal for its own account, buys securities from or sells securities to any advisory client. Agency cross transactions occur where a person acts as an investment adviser in relation to a transaction in which the adviser, or an affiliate of the adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

CFO4Life or individuals associated with CFO4Life may buy or sell for their personal account(s) securities or investment products identical to those recommended to or already owned by clients. Alternatively, CFO4Life may cause clients to buy a security in which CFO4Life or such individuals have an ownership position. Such recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the client. Nevertheless, such practices present potential conflicts of interest. To mitigate these conflicts, CFO4Life has adopted a Code of Ethics, which outlines the procedures regarding personal trading that must be followed (see details below). Additionally, as part of CFO4Life's fiduciary duty to clients, the Firm and its associated persons will endeavor at all times to put the interests of the clients first and at all times are required to adhere to our Code of Ethics.

### **C. Personal Trading**

The Firm and its officers, directors, agents, and employees ("Associated Persons") may invest personally in securities of the same classes as are purchased for clients and may own securities of the issuers whose securities are subsequently purchased for clients. CFO4Life understands that this could create a conflict of interest, where the employee's interest may be at odds with the interest of our clients. To help mitigate these conflicts of interest, CFO4Life's Code of Ethics sets forth certain standards of business and professional conduct regarding the personal trading activities of its Associated Persons. The following summarizes our procedures for the purchase and or sales of securities held within personal accounts.

- CFO4Life requires quarterly reporting of all personal securities transactions with the exception of certain exempt transactions and securities (such as government securities and money market funds). Associated Persons or those members with a beneficial interest, such as immediate family members, may not buy or sell securities for their personal portfolio(s) where their decision is derived in whole or in part, by material non-public information.
- Investment opportunities must be offered first to clients before CFO4Life or Associated Persons may participate in such transactions. Furthermore, security holdings and financial circumstances of clients must be kept confidential.
- CFO4Life and its Associated Persons may not participate in private placements or initial public offerings (IPOs) without pre-clearance from the Firm's Chief Compliance Officer.

- Records will be maintained of all securities bought or sold by Associated Persons and shall be reviewed periodically by designated Firm personnel.
- Any individual not in observance of the above may be subject to termination.

CFO4Life and our Associated Persons may also buy or sell specific securities for their own accounts based on personal investment considerations, which CFO4Life does not deem appropriate to buy or sell for clients.

## **Item 12 – Brokerage Practices**

For discretionary investment management accounts, CFO4Life will determine the broker-dealer to be used and the commission rates at which transactions for client accounts will be effected. When CFO4Life places orders for the execution of portfolio transactions for discretionary client accounts, transactions are allocated to brokers and dealers for execution in various markets at prices and commission rates that CFO4Life believes, based upon good faith judgment, will be in the best interest of the client. In addition to using brokers as “agents” and paying commissions, CFO4Life may effect transactions in securities directly from or to dealers that are acting as principal at prices that include markups or markdowns and may purchase from underwriters or dealers in public offerings at prices that include compensation to the underwriters and dealers. The following discussion summarizes the material aspects of CFO4Life’s practices for the selection of broker-dealers to execute client transactions.

### **A. Selection Criteria**

Generally, CFO4Life will recommend that clients use an institutional qualified broker-dealer custodian to custody assets and effect client transactions. Currently, CFO4Life participates in the institutional adviser program offered by TD Ameritrade Institutional, a division of TD Ameritrade, Inc. member FINRA/SIPC/NFA (“TD Ameritrade”) and an unaffiliated SEC-registered broker-dealer. TD Ameritrade offers to independent investment advisers services which include custody of securities, trade execution, clearance and settlement of transactions. CFO4Life generally recommends TD Ameritrade as the custodian/broker-dealer for its clients and receives some benefits from TD Ameritrade through its participation in the institutional adviser program. As part of its institutional services, TD Ameritrade does not charge custodial fees to a client as long as the account’s transactions are placed with TD Ameritrade for execution. TD Ameritrade charges a transaction fee/commission per transaction for each client account. All TD Ameritrade’s fees and charges are fully disclosed on the account statements sent by TD Ameritrade to each client. The commissions and/or transaction fees charged by TD Ameritrade may be higher or lower than those charged by other financial institutions.

Factors considered by us in recommending TD Ameritrade as custodian for client accounts are based on, but not limited to the reasonableness of transaction fees charged by TD Ameritrade, product availability, quality of executions, research and other services available to both the client and us.

While there is no direct link between the investment advice given to clients and our recommendation to use the custodial services of TD Ameritrade, certain benefits are received by us due to this arrangement that are typically not available to TD Ameritrade retail investors.



Please refer to Item 12B and item 14B below for a detailed description of the services and benefits received by us.

There may be times, however, when we evaluate and use an alternative broker-dealer for certain individual transactions, if in our discretion we believe that best execution for such individual transactions could be achieved outside of the client's broker custodian.

### **B. Best Execution**

It is the policy and practice of CFO4Life to strive for the best price and execution that are competitive in relation to the value of the transaction ("best execution"). In order to achieve best execution, CFO4Life will use its best judgment to choose the broker-dealer most capable of providing the brokerage services necessary to obtain the best overall qualitative execution. Although CFO4Life will strive to achieve the best execution possible for client securities transactions, this does not require it to solicit competitive bids and CFO4Life does not have an obligation to seek the lowest available commission cost. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the overall best qualitative execution, taking into consideration the full range of a broker-dealer's services, including among other things, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while CFO4Life will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions. CFO4Life is not required to negotiate "execution only" commission rates, thus the client may be deemed to be paying for research and related services (*i.e.*, "soft dollars") provided by the broker which are included in the commission rate.

To ensure that brokerage firms recommended by CFO4Life are conducting overall best qualitative execution, CFO4Life will periodically (and no less often than annually) evaluate the trading process and broker(s) utilized. CFO4Life's evaluation will consider the full range of brokerage services offered by the broker(s), which may include, but is not limited to price, commission, timing, research, aggregated trades, capable floor brokers or traders, competent block trading coverage, ability to position, capital strength and stability, reliable and accurate communications and settlement processing, use of automation, knowledge of other buyers or sellers and administrative ability. Clients have no obligation to open accounts with any custodial broker-dealers that CFO4Life may recommend.

### **Research and Other Soft Dollar Benefits**

Our general policy is to comply with the provisions of Section 28(e) of the Exchange Act ("Section 28(e)") when entering into soft dollar arrangements. Section 28(e) allows investment advisers to use client commissions to pay for brokerage and research services under certain circumstances without breaching their fiduciary duties to clients. This practice is commonly referred to as "soft dollars". Brokerage and research services may include, among other things, effecting securities transactions and performing services incidental thereto (such as clearance, settlement and custody) and providing research information regarding the economy, industries, sectors of securities, individual companies, statistical information, taxation; political developments, legal developments, technical market action, pricing and appraisal services, credit analysis; risk measurement analysis and performance analysis. Such research information can be received in the form of written reports, telephone conversations, personal meetings with security analysts and/or individual company management, and

attending conferences. The research services provided by a broker may be proprietary (*i.e.*, provided by the broker providing the execution services) and/or provided by a third party (*i.e.*, originates from a party independent from the broker providing the execution services).

As permitted under Section 28(e), we may cause clients to pay brokerage commissions that are in excess of commissions that another broker might have charged for effecting the same transaction, but only in circumstances where we have made a good faith determination that the amount of commissions paid are reasonable in relation to the value of the brokerage and research services received. We view this in terms of either the specific transactions or our overall responsibility to the accounts for which we exercises investment discretion.

Section 28(e) also permits us to use the research services provided by brokers to service any or all of our clients, and the services also may be used in connection with clients other than those making the payment of commissions.

CFO4Life has access to proprietary research from TD Ameritrade due to the fact that some of our clients custody their account assets at TD Ameritrade. In addition, we receive certain other indirect benefits from TD Ameritrade due to this arrangement, which are outlined in Item 14B below and may be deemed to fall outside the safe harbor of Section 28(e).

Importantly, clients should understand that the use of soft dollars by CFO4Life may be deemed to be an indirect economic benefit to us, which creates a conflict of interest between us and our clients. To address this conflict of interest, we perform periodic reviews of the quality of execution and services provided by TD Ameritrade (and other broker custodians) to help ensure that clients are receiving the best overall deal (also known as “best execution”).

CFO4Life does not currently have any other soft dollar arrangements in place.

#### Directed Brokerage

Generally, for discretionary accounts CFO4Life has the authority over the selection of the broker to be used and the commission rates to be paid without obtaining specific client consent. In limited situations CFO4Life may accept written direction from a client regarding the use of a particular broker-dealer to execute some or all transactions for the client. In the event that a client directs CFO4Life to use a particular broker or dealer, the client will negotiate terms and arrangements for the account with that broker-dealer, and CFO4Life will not seek better execution services or prices from other broker-dealers or be able to “batch” client transactions for execution through other broker-dealers with orders for other accounts managed by CFO4Life (as described below). Additionally, in directed brokerage situations, CFO4Life will have limited ability to ensure the broker-dealer selected by the client will provide best possible execution. As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, CFO4Life may decline a client’s request to direct brokerage if, in CFO4Life’s sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers.

### **C. Trade Aggregation and Allocation**

Transactions for each client will be effected independently, unless CFO4Life decides to purchase or sell the same securities for several clients at approximately the same time. CFO4Life performs investment management services for various clients, some of which may have similar investment objectives. CFO4Life may aggregate sale and purchase orders with other client accounts and proprietary (employee) accounts that have similar orders being made at the same time, if in our judgment such aggregation is reasonably likely to result in an overall economic benefit to the affected accounts. Such benefits may include better transaction prices and lower trade execution costs. CFO4Life may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among CFO4Life clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. If all aggregate orders do not fill at the same price, transactions will generally be averaged as to price and allocated among participating accounts pro rata to the purchase and sale orders placed for each participating account on any given day. If such orders cannot be fully executed under prevailing market conditions, CFO4Life may allocate the securities traded among participating accounts and each similar order in a manner which it considers equitable, taking into consideration, among other things, the size of the orders placed, the relative cash positions of each account, the investment objectives of the accounts, and liquidity of the security.

## **Item 13 – Review of Accounts**

### **A. Periodic Reviews**

#### *Financial Planning Account Reviews*

Upon completion of the initial financial plan, ongoing annual review services are established. Generally, we meet with our clients on an annual basis; however, more frequent reviews are not uncommon. The nature of the annual review is to evaluate the client’s progress from the previous year based on their goals and objectives. CFO4Life will collaborate with the client to update their financial information (i.e. insurance, investments, assets, income and expenses) and craft their yearly financial planning reports. Financial planning reports are written and may consist of a net worth statement, cash flow statement, estimated tax projections, education analysis, retirement analysis, insurance needs analysis, estate tax calculation, and an investment analysis. Reviews are conducted by an advisor of CFO4Life who is appropriately licensed to provide financial planning services. Brian Chastain and Levi McMellian are advisors of CFO4Life, L.P.

#### *Investment Management Account Reviews*

While investment management accounts are monitored on an ongoing basis, CFO4Life’s IARs undertake reviews of client accounts not less than annually. Accounts are reviewed for consistency with the investment strategy and other parameters set forth for the account and to determine if any adjustments need to be made.

### **B. Other Reviews and Triggering Factors**

In addition to the periodic reviews described above, reviews may be triggered by changes in an account holder’s personal, tax or financial status. Other events that may trigger a review of an account are material changes in market conditions as well as macroeconomic and company-

specific events. Clients are encouraged to notify CFO4Life of any changes in his/her personal financial situation that might affect his/her investment needs, objectives, or time horizon.

### **C. Regular Reports**

Written brokerage statements are generated no less than quarterly and are sent directly from the account custodian. These reports list the account positions, activity in the account over the covered period, and other related information. Clients are also sent confirmations following each brokerage account transaction unless confirmations have been waived.

CFO4Life currently does not send regular reports to clients.

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

### **A. Economic Benefits Received**

As discussed under Item 12, CFO4Life may enter into “soft dollar” arrangements whereby brokerage transactions are directed to certain broker-dealers in return for investment research products and/or services which assist CFO4Life in its investment decision-making process. The receipt of such services may be deemed to be the receipt of an economic benefit by CFO4Life, and although customary, these arrangements give rise to potential conflicts of interest, including the incentive to allocate securities transactional business to broker-dealers based on the receipt of such benefits rather than on a client’s interest in receiving most favorable execution.

Additionally, as noted in Item 12A above, CFO4Life participates in the TD Ameritrade institutional program and generally recommends that discretionary clients use TD Ameritrade as their custodian and broker of record. While there is no direct link between the investment advice given to clients and CFO4Life’s recommendation to use TD Ameritrade as their custodian, certain benefits are received by CFO4Life due to this arrangement that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Advisor by third party vendors. Many of these services, though not all, may be used to service all or a substantial number of CFO4Life’s accounts, including accounts not maintained at TD Ameritrade. These products and services may benefit the Firm but may not benefit our clients’ accounts. TD Ameritrade also makes available to CFO4Life other services intended to help us manage and further develop our business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, TD Ameritrade may make available, arrange and/or pay for these types of services rendered to CFO4Life by independent third parties. TD Ameritrade 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 CFO4Life. The benefits received by CFO4Life through its participation in the TD Ameritrade institutional customer program do not depend on the amount of brokerage transactions directed to TD Ameritrade. While as a fiduciary, we endeavor to act in our clients' best interests, our recommendation that clients maintain their assets in accounts at TD Ameritrade may be based in part on the benefit to CFO4Life of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by TD Ameritrade. The receipt of these benefits may create a potential conflict of interest and may indirectly influence CFO4Life's choice of TD Ameritrade for custody and brokerage services.

### **B. Compensation for Client Referrals**

CFO4Life may, from time to time, enter into agreements with individuals and organizations, some of whom may be affiliated or unaffiliated with CFO4Life that refer clients to us. All such agreements will be in writing and comply with the applicable state and federal regulations. If a client is introduced to CFO4Life by a solicitor, CFO4Life may pay that solicitor a fee in accordance with the applicable federal and state securities law requirements. While the specific terms of each agreement may differ, generally, the compensation will be based upon CFO4Life's engagement of new clients and the retention of those clients and would be calculated using a varying percentage of the fees paid to CFO4Life by such clients until the account is closed by written authorization from the client. Any such fee shall be paid solely from CFO4Life's fees, and shall not result in any additional charge to the client.

Each prospective client who is referred to CFO4Life under such an arrangement will receive a copy of our ADV Part 2A and a separate written disclosure document disclosing the nature of the relationship between the third party solicitor and CFO4Life and the amount of compensation that will be paid by us to the third party. The solicitor is required to obtain the client's signature acknowledging receipt of our ADV Part 2A and the solicitor's written disclosure statement. In any case, applicable state laws may require these persons to become licensed either as representatives of CFO4Life or as an independent investment adviser. CFO4Life will request that our clients acknowledge this arrangement prior to acceptance of the clients' account.

### **C. Other Compensation**

Certain CFO4Life IARs have outside business activities that provide additional compensation. Please refer to Item 10 above for detailed information regarding the business activities, the compensation received, the related conflicts and how CFO4Life mitigates such conflicts.

### **Item 15 – Custody**

Pursuant to Rule 206(4)-2 of the Advisers Act, CFO4Life is deemed to have custody of client funds because the Firm has the authority and ability to debit its fees directly from clients' accounts. To mitigate any potential conflicts of interests, all CFO4Life client account assets will be maintained with an independent qualified custodian. Generally, CFO4Life recommends TD Ameritrade for custodial services, but from time to time, other custodians may be used by CFO4Life to custody assets.

Notably, in most cases a client's broker-dealer also may act as the custodian of the client's assets for little or no extra cost. Clients should be aware, however, of the differences between

having their assets held at a broker-dealer versus at a bank or trust company. Some of these differences include, but are not limited to, custodian costs, trading issues, security of assets, client reporting and technology.

CFO4Life may only implement its investment management recommendations after the client has arranged for and furnished CFO4Life with all information and authorization regarding its accounts held at the designated qualified custodian.

Clients will receive statements on at least a quarterly basis directly from the qualified custodian that holds and maintains their assets. Clients are urged to carefully review all custodial statements and compare them to the statements provided by CFO4Life. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Please refer to Item 12 for additional important disclosure information relating to CFO4Life's practices and relationships with custodians.

#### **Item 16 – Investment Discretion**

For accounts where we have been given discretionary authority, CFO4Life selects, without first obtaining client's permission: (1) the securities to be bought and sold; (2) the amounts of securities to be transacted and whether it will be individually or blocked traded; (3) the broker-dealer through which transactions will be executed; and where applicable, (4) the commission rates to be paid. CFO4Life's discretionary authority may be subject to conditions imposed by a client. This may occur when a client restricts or prohibits transactions in a security for a specific company or for an industry sector, or requests that the Firm place trades with a specific broker-dealer (aka "directed brokerage"). While we generally allows clients to impose reasonable restrictions on the types of securities and/or industries they do not want to be included in their portfolio, each client assumes responsibility for informing CFO4Life in writing of any changes to these restrictions or to their overall investment objectives.

#### **Item 17 – Voting Client Securities**

CFO4Life's policy and practice is to not vote proxies on behalf of its clients and therefore, shall have no obligation or authority to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held in a client's account, unless the account is an ERISA account and such authority has not been delegated to another named fiduciary in the plan's written documents. Consequently, the client retains the responsibility for receiving and voting all proxies for securities held within the client's account. CFO4Life shall not be deemed to have proxy voting authority solely as a result of providing advice or information about a particular proxy vote to a client.

CFO4Life typically does not advise or act for clients with respect to any legal matters, including bankruptcies and class actions, for the securities held in clients' accounts.

#### **Item 18 – Financial Information**

CFO4Life does not have any financial impairment that will preclude it from meeting contractual commitments to clients. A balance sheet is not required to be provided as CFO4Life does not both (i) serve as custodian for client funds or securities and (ii) require prepayment of fees six months or more in advance.