

## **Disclosure Brochure**

# **Holmes & Turner Financial Services, Inc.**

**Investment Advisor**

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DENVER, COLORADO 80202  
303-292-1121**

**MARCH 31, 2020**

**THIS BROCHURE PROVIDES INFORMATION ABOUT THE QUALIFICATIONS AND BUSINESS PRACTICES OF HOLMES & TURNER FINANCIAL SERVICES INC. IF YOU HAVE QUESTIONS ABOUT THE CONTENTS OF THIS BROCHURE, PLEASE TELEPHONE US AT 303-292-1121. THE INFORMATION IN THIS BROCHURE HAS NOT BEEN APPROVED OR VERIFIED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR BY ANY STATE SECURITIES AUTHORITY.**

**ADDITIONAL INFORMATION ABOUT HOLMES & TURNER FINANCIAL SERVICES INC IS ALSO AVAILABLE ON THE SEC'S WEBSITE AT**

**[WWW.ADVISERINFO.SEC.GOV](http://WWW.ADVISERINFO.SEC.GOV)**

**MATERIAL CHANGES**  
**BASED ON 12/1/2017 AMENDMENT**

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## **ADVISORY BUSINESS**

HOLMES & TURNER FINANCIAL SERVICES ("HTFS") WAS ORGANIZED IN 1998 TO PROVIDE INVESTMENT MANAGEMENT SERVICES TO A SOPHISTICATED CLIENTELE.

IN ADDITION, THE PRINCIPAL EXECUTIVE OFFICERS MAY BE REGISTERED REPRESENTATIVES OF CASCADE FINANCIAL MANAGEMENT INC.; A REGISTERED BROKER-DEALER WITH THE US SECURITIES AND EXCHANGE COMMISSION ("SEC") AND A MEMBER OF THE FINANCIAL INDUSTRY REGULATORY AUTHORITY ("FINRA") AND INSURANCE AGENTS OF CASCADE FINANCIAL MANAGEMENT INC.; A COLORADO LICENSED INSURANCE AGENCY. IN THESE SEPARATE CAPACITIES (AS A REGISTERED REPRESENTATIVE AND/OR INSURANCE AGENT), THE ADVISORY REPRESENTATIVES ARE ABLE TO EFFECT SECURITIES TRANSACTIONS AND PURCHASE INSURANCE PRODUCTS FOR CLIENTS. SUCH ADVISORY REPRESENTATIVES MAY RECEIVE SEPARATE COMPENSATION IN THE FORM OF COMMISSIONS AS A RESULT OF CLIENT PURCHASING SECURITIES PRODUCTS OR INSURANCE PRODUCTS THROUGH THEM. SUCH COMPENSATION MAY BE IN ADDITION TO THE ADVISORY FEES RECEIVED BY HTFS. APPROXIMATELY, 40% OF THE PRINCIPAL EXECUTIVE OFFICERS TIME IS SPENT DIRECTING THE BUSINESS OF THE BROKER/DEALER OR CFMI. WHILE ADVISORY REPRESENTATIVES ENDEAVOR AT ALL TIMES TO PUT THE INTERESTS OF THE CLIENTS FIRST AS PART OF HTFS'S FIDUCIARY DUTY, CLIENTS SHOULD BE AWARE THAT THE RECEIPT OF ADDITIONAL COMPENSATION ITSELF CREATES A CONFLICT OF INTEREST AND MAY AFFECT THE JUDGEMENT OF ADVISORY REPRESENTATIVES WHEN MAKING RECOMMENDATIONS.

### **OUR KEY PERSONNEL**

#### **DAVID JOHN TURNER – PRESIDENT**

BORN IN 1964, MR. TURNER ATTENDED MONTANA STATE UNIVERSITY FROM 1982 THROUGH 1985. MR. TURNER WAS A VICE PRESIDENT WITH PIPER JAFFRAY FROM 1992 TO 1998 BEFORE JOINING CASCADE. SINCE JOINING CASCADE IN 1998, DAVE HAS FOCUSED HIS EFFORTS ON DEVELOPING A MORE CONSULTATIVE, ADVISORY APPROACH TO HELPING CLIENTS TAKE CONTROL OF THEIR FINANCIAL INDEPENDENCE. DAVE AND HIS TEAM SEEK TO POSITION THEMSELVES AS THE PERSONAL CHIEF FINANCIAL OFFICER FOR THEIR CLIENTS, COORDINATING THE INVESTMENT MANAGEMENT, ESTATE PLANNING, TAX PLANNING AND RISK MANAGEMENT ELEMENTS OF A CLIENT'S SITUATION IN SUCH A MANNER TO MAXIMIZE THE EFFICIENCIES OF THE OVERALL PLAN. IN HIS TENURE WITH CASCADE, DAVE BEGAN IN THE ROLE OF ADVISOR, LED THE FIRM AS ITS PRESIDENT FROM 2001 THROUGH 2009, AND HAS RECENTLY ASSUMED THE ROLE OF CHIEF EXECUTIVE OFFICER. IN THIS POSITION HIS FOCUS IS ON POOLING THE NETWORK OF WEALTH MANAGEMENT RESOURCES CASCADE HAS DEVELOPED FOR THE BENEFIT OF OUR CLIENTS, AND THE INTEGRATION OF OUR STRATEGIC ALLIANCE EFFORTS WITH OTHER WEALTH MANAGEMENT PROFESSIONALS. DAVE CONTINUES HIS EDUCATION BY TAKING PART IN NUMEROUS INDUSTRY ROUNDTABLE PLATFORMS AND ISSUE-SPECIFIC FOCUS GROUPS, AND IS A MEMBER OF THE SECURITIES INDUSTRY AND FINANCIAL MARKETS ASSOCIATION, FINANCIAL PLANNING ASSOCIATION, AND THE CEG WORLDWIDE WEALTH MANAGEMENT ROUNDTABLE.

CONCURRENTLY AND SINCE 1999, MR. TURNER SERVES AS PRESIDENT AND CHIEF COMPLIANCE OFFICER OF HOLMES AND TURNER FINANCIAL SERVICES.

#### **WILLIAM B. HEBRON JR. – SHAREHOLDER**

BORN IN 1954, MR. HEBRON ATTENDED THE UNIVERSITY OF SOUTH DAKOTA FROM 1973 TO 1977 AND EARNED A BACHELOR'S DEGREE IN BUSINESS ADMINISTRATION. FROM THE DATE OF HIS

GRADUATION FROM THE UNIVERSITY UNTIL 1982, MR. HEBRON WAS EMPLOYED WITH SEVERAL PROMINENT INTERNATIONAL CONSTRUCTION CONTRACTORS IN THEIR ACCOUNTING DIVISIONS. IN 1982 MR. HEBRON JOINED THE PUBLIC ACCOUNTING FIRM OF HOLMES AND TURNER (MEMBER OF CPA ASSOCIATES INTERNATIONAL), WHERE HE IS CURRENTLY EMPLOYED AS A CERTIFIED PUBLIC ACCOUNTANT AND PARTNER. MR. HEBRON CONTINUES HIS PROFESSIONAL DEVELOPMENT THROUGH VARIOUS EDUCATION PROGRAMS OFFERED BY THE AICPA, CPA ASSOCIATES INTERNATIONAL AND VARIOUS STATE CPA SOCIETIES. MR. HEBRON IS CURRENTLY A MEMBER IN GOOD STANDING WITH THE AICPA AND THE MONTANA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS.

#### **DUANE MOULTON – SHAREHOLDER**

BORN 1977, MR. MOULTON ATTENDED MONTANA STATE UNIVERSITY - BILLINGS FROM 1996 TO 2000 AND GRADUATED IN 2000 WITH A BSBA. IN 2000, MR MOULTON ATTENDED THE UNIVERSITY OF DENVER AND GRADUATED IN 2001 WITH A MT. IN ADDITION, MR. MOULTON IS A PARTNER AND ACCOUNTANT WITH HOLMES AND TURNER CPA.

#### **LAURA TURNER – SHAREHOLDER**

BORN IN 1966. MS TURNER ATTENDED MONTANA STATE UNIVERSITY 1985 – 1988. SHE GRADUATED IN 1988 WITH A BACHELOR'S DEGREE IN BUSINESS MANAGEMENT AND A MINOR IN MARKETING. SHE THEN ATTENDED MONTANA STATE UNIVERSITY 2003 – 2004 TAKING ACCOUNTING COURSES TO QUALIFY TO SIT FOR THE CPA EXAM. MS. TURNER IS A PARTNER AND ACCOUNTANT WITH HOLMES & TURNER CPA.

#### **TIM KENKEL – CHIEF COMPLIANCE OFFICER**

BORN IN 1971, MR. KENKEL GRADUATED FROM THE UNIVERSITY OF PITTSBURGH IN 1994 WITH A BA IN ECONOMICS AND HAS OVER 20 YEARS OF SERVICE IN THE INVESTMENT INDUSTRY. MR KENKEL JOINED CASCADE FINANCIAL MANAGEMENT INC IN 2011 AS THE DIRECTOR OF COMPLIANCE AND SUPERVISES THE OPERATIONS AND COMPLIANCE OF THE FIRM ON A DAILY BASIS. HE HAS TAKEN OVER THE ROLE AS CHIEF COMPLIANCE OFFICER FOR CASCADE AND HOLMES & TURNER FINANCIAL SERVICES.

#### **TYPES OF ADVISORY SERVICES OFFERED**

HTFS OFFERS VARIOUS INVESTMENT ADVISORY SERVICES TO CLIENTS DEPENDING ON THE CLIENT'S NEEDS. CLIENTS MAY PARTICIPATE IN ANY COMBINATION OR ANY ONE OF THE FOLLOWING ADVISORY PROGRAMS. THE ADVISORY SERVICES AND PROGRAMS ARE MORE FULLY EXPLAINED BELOW.

#### **PORTFOLIO MANAGEMENT THROUGH ATHENAINVEST ADVISORS LLC**

HTFS OFFERS ASSET MANAGEMENT SERVICES THROUGH AN UNAFFILIATED THIRD PARTY MANAGER, ATHENAINVEST ADVISORS, LLC ("ATHENA"). ATHENA WILL PROVIDE ONGOING ASSET MANAGEMENT SERVICES TO CLIENTS AS A SUB-ADVISOR

CLIENTS WILL ESTABLISH AN ACCOUNT WITH HTFS AND GRANT DISCRETIONARY TRADING AUTHORIZATION TO ATHENA TO BUY, SELL AND EXCHANGE SECURITIES IN THE CLIENT'S ACCOUNTS AS ATHENA DEEMS APPROPRIATE. HTFS DOES NOT TAKE CUSTODY OF CLIENT ASSETS, WITH THE EXCEPTION OF DEDUCTION OF ADVISORY FEES FROM CLIENTS' ACCOUNTS. HTFS WILL NOT DIRECTLY CONDUCT SECURITIES TRANSACTIONS ON BEHALF OF THE CLIENT OR PARTICIPATE DIRECTLY IN THE SELECTION OF THE SECURITIES TO BE PURCHASED OR SOLD FOR THE CLIENT.

INVESTMENT DECISIONS ARE MADE BY ATHENA IN ACCORDANCE WITH THE AGREEMENT BETWEEN CLIENT AND MANAGER.

CLIENTS MAY TERMINATE THE ATHENA PROGRAM IN ACCORDANCE WITH THE AGREEMENT EXECUTED BETWEEN THE CLIENT AND ATHENA.

#### **CCM ASSET MANAGEMENT PROGRAM**

HTFS OFFERS THE CCM ASSET MANAGEMENT PROGRAM. THE CCM ASSET MANAGEMENT PROGRAM IS A NON-WRAP PROGRAM CLIENTS RECEIVE DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES. ADVISOR AND/OR SUB-ADVISOR WILL MANAGE A CLIENT'S ACCOUNT BASED ON THE INDIVIDUAL NEEDS AND GOALS OF THE CLIENT. THE CLIENT'S ADVISORY REPRESENTATIVE WILL GATHER INFORMATION ON THE CLIENT'S FINANCIAL HISTORY, GOALS, OBJECTIVES, AND FINANCIAL CONCERNS AND ASSISTS CLIENT IN DEVELOPING AN ASSET ALLOCATION STRATEGY. ALL INFORMATION GATHERED FROM CLIENT IS CONFIDENTIAL. PORTFOLIO MANAGEMENT SERVICES ARE OFFERED ON A DISCRETIONARY BASIS. DISCRETIONARY TRADING AUTHORIZATION PROVIDES HTFS AND/OR A SUB-ADVISOR WITH THE ABILITY TO PURCHASE OR SELL SECURITIES IN THE CLIENT'S ACCOUNT AS DETERMINED BY HTFS WITHOUT CONTACTING THE CLIENT PRIOR TO EXECUTION. HOWEVER, HTFS WILL NOT HAVE THE AUTHORIZATION TO WITHDRAW CLIENT SECURITIES OR FUNDS WITHOUT THE CLIENTS CONSENT, WITH THE EXCEPTION OF PAYMENT OF HTFS'S ADVISORY FEES. INVESTMENT ADVISORY REPRESENTATIVE FEES MAY VARY CLIENT TO CLIENT AND ADVISOR TO ADVISOR. CLIENTS ARE ADVISED THAT TRANSACTIONS IN THE ACCOUNT, ACCOUNT REALLOCATIONS AND REBALANCING MAY TRIGGER A TAXABLE EVENT FOR THE CLIENT, WITH THE EXCEPTION OF IRA ACCOUNTS, 403(B) ACCOUNTS AND OTHER QUALIFIED RETIREMENT ACCOUNTS.

CLIENTS ARE ADVISED PERFORMANCE MAY BE AFFECTED MORE ON SMALLER ACCOUNTS DUE TO DIFFICULTIES WITH DIVERSIFYING SMALLER ACCOUNTS AND DUE TO RISK CONTROLS POTENTIALLY BEING COMPROMISED. SMALLER ACCOUNTS ARE DEFINED AS ACCOUNTS LESS THAN \$100,000. PERFORMANCE OF SMALLER ACCOUNTS MAY VARY FROM THE PERFORMANCE OF ACCOUNTS WITH MORE DOLLARS INVESTED DUE TO FLUCTUATIONS IN THE MARKET THAT MAY AFFECT SMALLER ACCOUNTS MORE AND THE EFFECTS OF COMPOUNDING MAY BE GREATER IN LARGER ACCOUNTS.

#### **FINANCIAL PLANNING AND CONSULTING**

HTFS OFFERS VARIOUS FINANCIAL PLANNING AND CONSULTING SERVICES FOR A FEE. HTFS WILL GATHER FINANCIAL INFORMATION AND HISTORY FROM CLIENT INCLUDING, BUT NOT LIMITED TO, CLIENT'S CURRENT FINANCIAL STATUS, FUTURE GOALS AND ATTITUDES TOWARDS RISK, INVESTMENT OBJECTIVES, INVESTMENT HORIZON, FINANCIAL NEEDS, COST OF LIVING NEEDS, EDUCATION NEEDS, SAVINGS TENDENCIES, AND OTHER APPLICABLE FINANCIAL INFORMATION REQUIRED BY HTFS IN ORDER TO PROVIDE THE INVESTMENT ADVISORY SERVICES REQUESTED. BASED UPON CLIENT'S NEEDS, HTFS WILL PREPARE A WRITTEN FINANCIAL PLAN OR SUMMARY OR RECOMMENDATIONS. GENERALLY, FINANCIAL PLANNING AND CONSULTING SERVICES ARE OFFERED IN THE FOLLOWING AREAS:

- PERSONAL: FAMILY RECORDS, BUDGETING, PERSONAL LIABILITY, ESTATE INFORMATION AND FINANCIAL GOALS.
- TAX & CASH FLOW: INCOME TAX AND SPENDING ANALYSIS AND PLANNING FOR PAST, CURRENT AND FUTURE YEARS. HTFS WILL ILLUSTRATE THE IMPACT OF VARIOUS INVESTMENTS ON A CLIENT'S CURRENT INCOME TAX AND FUTURE TAX LIABILITY.
- DEATH & DISABILITY: CASH NEEDS AT DEATH, INCOME NEEDS OF SURVIVING DEPENDENTS, ESTATE PLANNING AND DISABILITY INCOME ANALYSIS.

- RETIREMENT: ANALYSIS OF CURRENT STRATEGIES AND INVESTMENT PLANS TO HELP THE CLIENT ACHIEVE HIS OR HER RETIREMENT GOALS.
- INVESTMENTS: ANALYSIS OF INVESTMENT ALTERNATIVES AND THEIR EFFECT ON A CLIENT'S PORTFOLIO.

FINANCIAL PLANNING SERVICES ARE BASED ON THE CLIENT'S FINANCIAL SITUATION AT THE TIME AND ARE BASED ON FINANCIAL INFORMATION DISCLOSED BY THE CLIENT TO HTFS. CLIENTS ARE ADVISED CERTAIN ASSUMPTIONS MAY BE MADE WITH RESPECT TO INTEREST AND INFLATION RATES AND USE OF PAST TRENDS AND PERFORMANCE OF THE MARKET AND ECONOMY. HOWEVER, PAST PERFORMANCE IS IN NO WAY AN INDICATION OF FUTURE PERFORMANCE. HTFS CANNOT OFFER ANY GUARANTEES OR PROMISES THAT CLIENT'S FINANCIAL GOALS AND OBJECTIVES WILL BE MET. FURTHER, CLIENT MUST CONTINUE TO REVIEW ANY PLAN AND UPDATE THE PLAN BASED UPON CHANGES IN THE CLIENT'S FINANCIAL SITUATION, GOALS, OR OBJECTIVES OR CHANGES IN THE ECONOMY. SHOULD CLIENT'S FINANCIAL SITUATION OR INVESTMENT GOALS OR OBJECTIVES CHANGE, CLIENTS MUST NOTIFY HTFS PROMPTLY OF THE CHANGES. SHOULD CLIENT CHOOSE TO IMPLEMENT THE RECOMMENDATIONS AND INVESTMENT ADVICE CONTAINED IN THE PLAN OR REPORT, HTFS SUGGESTS CLIENT WORK CLOSELY WITH HIS/HER ATTORNEY, ACCOUNTANT, INSURANCE AGENT, AND/OR STOCKBROKER. IMPLEMENTATION OF RECOMMENDATIONS AND ADVICE IS ENTIRELY AT THE CLIENT'S DISCRETION.

FINANCIAL PLANNING AND CONSULTING SERVICES ARE OFFERED ON A RETAINER, HOURLY OR FIXED FEE BASIS AS NEGOTIATED WITH THE CLIENT. TYPICALLY, HOURLY FEES WILL BE CHARGED FOR CONSULTING SERVICES OR IF THE SCOPE OF THE ENGAGEMENT CANNOT BE DETERMINED. TO THE EXTENT THE SCOPE OF THE ENGAGE CAN BE DETERMINED; HTFS WILL QUOTE THE CLIENT A FIXED FEE OR A RETAINER FEE. THE FIXED FEE OR RETAINER FEE QUOTE WILL BE BASED ON A VARIETY OF FACTORS CONSIDERED, INCLUDING BUT NOT LIMITED TO, TIME ANTICIPATED PROVIDING THE SERVICES, STAFF RESOURCES, NUMBER OF CLIENT MEETINGS, RESEARCH, ETC.

FEES ARE NEGOTIABLE. AT THE START OF THE RELATIONSHIP, HTFS WILL PROVIDE CLIENT WITH A MAXIMUM TOTAL FEE THAT MAY BE CHARGED FOR THE REQUESTED SERVICES. HTFS WILL NOT REQUEST ANY PAYMENT ABOVE THE STATED MAXIMUM FEE FOR THE WORK REQUESTED BY THE CLIENT, PROVIDED THE CLIENT'S CIRCUMSTANCES HAVE NOT CHANGED. FEES FOR ADVISORY SERVICES ARE DUE UPON DELIVERY OR PRESENTATION OF THE PLAN OR RECOMMENDATIONS.

HOURLY FEE RATE - \$250 - \$750 PER HOUR  
FIXED FEE RANGE - NEGOTIABLE  
RETAINER FEE – NEGOTIABLE

CLIENT MAY TERMINATE ADVISORY SERVICES WITHIN FIVE (5) BUSINESS DAYS AFTER ENTERING INTO THE ADVISORY AGREEMENT WITHOUT PENALTY. AFTER FIVE (5) BUSINESS DAYS OF ENTERING INTO THE ADVISORY AGREEMENT, CLIENT MAY TERMINATE UPON HTFS'S RECEIPT OF CLIENT'S WRITTEN NOTICE TO TERMINATE. CLIENT WILL BE RESPONSIBLE FOR ANY TIME SPENT BY HTFS IN PROVIDING, RESEARCHING OR PREPARING THE CLIENT'S REQUESTED ADVISORY SERVICES. THE ADVISORY RELATIONSHIP OR AGREEMENT BETWEEN CLIENT AND HTFS WILL BE DEEMED COMPLETED AND TERMINATED UPON PRESENTATION OF THE ANALYSIS AND RECOMMENDATIONS AND RECEIPT OF PAYMENT IN FULL.

CLIENT IS ADVISED THAT FEES FOR FINANCIAL PLANNING ARE STRICTLY FOR FINANCIAL PLANNING SERVICES. THEREFORE, CLIENT MAY PAY FEES AND/OR COMMISSIONS FOR ADDITIONAL SERVICES OBTAINED SUCH AS ASSET MANAGEMENT OR PRODUCTS PURCHASED SUCH AS SECURITIES OR INSURANCE.

#### **RETIREMENT PLAN CONSULTING**

CASCADE OFFERS ASSISTANCE IN MANAGING THE PLAN'S SECURITIES PORTFOLIO ON A NON-DISCRETIONARY BASIS, AS A REGISTERED INVESTMENT ADVISOR AND FIDUCIARY UNDER THE INVESTMENT ADVISERS ACT OF 1940 (ACT) AND A "FIDUCIARY" (AS DEFINED IN ERISA SECTION 3(21)(A)(III)) AND TO EXECUTE TRANSACTIONS ON BEHALF OF THE CLIENT BY OBTAINING SPECIFIC CONSENT FROM THE CLIENT PRIOR TO EVERY TRANSACTION. THE ADVISER WILL ASSIST THE CLIENT IN SELECTING EACH OF THE INVESTMENT OPTIONS.

CASCADE OFFERS EMPLOYER-SPONSORED ERISA PLAN CONSULTING, CONSISTS OF ASSISTING EMPLOYERS WITH MONITORING AND REVIEWING THEIR COMPANY'S PARTICIPANT-DIRECTED RETIREMENT PLAN. AS THE NEEDS OF THE CLIENT DICTATES, AREAS OF ADVISING MAY INCLUDE:

- MARKET OVERVIEW ADDRESSING THE MAJOR MARKETS, INDICES, SECTORS AND THE ECONOMIC STATISTICS THAT ARE AFFECTING THEM;
- AN IN-DEPTH PORTFOLIO SUMMARY, INCLUDING FUND AND BENCHMARK RETURNS, STYLE ANALYSIS AND OVERALL PORTFOLIO RETURN;
- ASSIST WITH SELECTION AND MONITORING OF INVESTMENT OPTIONS AT THE PLAN LEVEL;
- A DETAILED EXAMINATION OF EACH MUTUAL FUND INVESTMENT OPTION WITHIN THE PLAN, INCLUDING PERFORMANCE NUMBERS VERSUS THE CATEGORY AND INDEX, MANAGER STYLE DRIFT, RISK/RETURN, STANDARD DEVIATION, SHARPE RATIO, UPSIDE AND DOWNSIDE CAPTURE AND FUND ALLOCATION. THIS AGREEMENT DOES NOT GUARANTEE THE FUTURE PERFORMANCE OR RESULTS OF ANY INVESTMENT OPTION RECOMMENDED OR REVIEWED.

#### **GENERAL DISCLOSURES**

A CONFLICT OF INTEREST MAY EXIST BETWEEN THE INTERESTS OF HTFS AND/OR ITS ADVISORY REPRESENTATIVES AND THE INTERESTS OF THE CLIENT IN THAT HTFS AND ADVISORY REPRESENTATIVES OFFER FINANCIAL PLANNING AND INVESTMENT ADVISORY SERVICES FOR A FEE AND ALSO OFFER VARIOUS SECURITIES PRODUCTS FOR WHICH THEY MAY BE PAID A COMMISSION. THE SECURITIES PRODUCTS AVAILABLE THROUGH HTFS MAY BE LIMITED TO CERTAIN PRODUCTS THAT HAVE BEEN REVIEWED AND MADE AVAILABLE FOR OFFERING THROUGH THE BROKER/DEALER WITH WHICH ADVISORY REPRESENTATIVES MAY BE REGISTERED REPRESENTATIVES.

CLIENTS CAN INVEST IN A MUTUAL FUND DIRECTLY WITHOUT THE SERVICES OF HTFS. HOWEVER, CLIENT WOULD NOT RECEIVE THE ADVISORY SERVICES DESCRIBED HEREIN WHICH ARE DESIGNED, AMONG OTHER THINGS, TO ASSIST THE CLIENT IN DETERMINING WHICH MUTUAL FUND OR FUNDS ARE MORE APPROPRIATE TO EACH CLIENT'S FINANCIAL SITUATION. CLIENTS SHOULD REVIEW BOTH THE FEES CHARGED BY THE FUNDS AND FEES CHARGED BY HTFS TO FULLY UNDERSTAND THE TOTAL AMOUNT OF FEES TO BE PAID BY THE CLIENT AND THE ADVISORY SERVICES TO BE OR BEING PROVIDED.

LOWER FEES FOR COMPARABLE SERVICES MAY BE AVAILABLE FROM OTHER SOURCES. MATERIAL CONFLICTS OF INTEREST HAVE BEEN DISCLOSED TO THE CLIENT IN WRITING VIA THE FORM ADV, PART II THAT COULD CAUSE THE HTFS OR ADVISORY REPRESENTATIVES TO NOT RENDER UNBIASED

AND OBJECTIVE ADVICE. HTFS DOES NOT MAINTAIN CUSTODY OF CLIENT FUNDS OR SECURITIES WITH THE EXCEPTION OF DEDUCTION OF HTFS'S ADVISORY FEE FROM CLIENT'S ACCOUNT.

CLIENT IS ADVISED THE INVESTMENT RECOMMENDATIONS AND ADVICE OFFERED BY HTFS ARE NOT LEGAL ADVICE OR ACCOUNTING ADVICE. CLIENT SHOULD COORDINATE AND DISCUSS THE IMPACT OF FINANCIAL ADVICE WITH THEIR ATTORNEY AND/OR ACCOUNTANT. CLIENT IS ADVISED THAT IT IS NECESSARY TO INFORM HTFS PROMPTLY WITH RESPECT TO ANY CHANGES IN THE CLIENT'S FINANCIAL SITUATION AND INVESTMENT GOALS AND OBJECTIVES. FAILURE TO NOTIFY HTFS OF ANY SUCH CHANGES COULD RESULT IN INVESTMENT RECOMMENDATIONS NOT MEETING THE NEEDS OF THE CLIENT.

CLIENTS ARE ADVISED THAT ADVISORY REPRESENTATIVES ARE GENERALLY EMPLOYEES. AS SUCH, ADVISORY REPRESENTATIVES RECEIVE A PORTION OF THE ADVISORY FEES CHARGED TO CLIENTS THROUGH HTFS. THE PORTION OF THE ADVISORY FEES RECEIVED BY AN ADVISORY REPRESENTATIVE MAY VARY FROM ADVISORY REPRESENTATIVE TO ADVISORY REPRESENTATIVE DEPENDING ON FACTORS INCLUDING, BUT NOT LIMITED TO, THE ADVISORY REPRESENTATIVE'S PRODUCTION THROUGH HTFS AND OTHER BUSINESS ARRANGEMENTS WITH HTFS. THE BALANCE OF THE ADVISORY FEE IS RETAINED BY HTFS AS COMPENSATION FOR DIRECTING THE DAY TO DAY OPERATIONS OF ITS BUSINESS. FURTHER, CLIENTS ARE ADVISED FEES CHARGED TO CLIENTS BY ADVISORY REPRESENTATIVES MAY VARY AND ARE NEGOTIABLE BUT WILL NOT EXCEED THE FEE SCHEDULES PRINTED HEREIN.

#### **WARRANTEES/REPRESENTATIONS**

HTFS DOES NOT REPRESENT, WARRANTEE OR IMPLY THAT THE SERVICES OR METHODS OF ANALYSIS USED BY HTFS CAN OR WILL PREDICT FUTURE RESULTS, SUCCESSFULLY IDENTIFY MARKET TOPS OR BOTTOMS, OR INSULATE CLIENTS FROM LOSSES DUE TO MAJOR MARKET CORRECTIONS OR CRASHES. NO GUARANTEES CAN BE OFFERED THAT CLIENT'S GOALS OR OBJECTIVES WILL BE ACHIEVED. FURTHER, NO PROMISES OR ASSUMPTIONS CAN BE MADE THAT THE ADVISORY SERVICES OFFERED BY HTFS WILL PROVIDE A BETTER RETURN THAN OTHER INVESTMENT STRATEGIES. THE LEVEL OF EXPERIENCE OF ADVISORY REPRESENTATIVES WILL VARY.

#### **PRIVACY NOTICE**

HTFS GATHERS VARIOUS NONPUBLIC INFORMATION FROM CLIENTS IN ORDER TO PROVIDE ADVISORY PRODUCTS AND SERVICES. HTFS DOES NOT SHARE NONPUBLIC INFORMATION WITH NONAFFILIATED THIRD PARTIES EXCEPT AS PERMITTED BY LAW. CLIENTS WILL BE PROVIDED WITH A COPY OF HTFS'S PRIVACY POLICY UPON ESTABLISHMENT OF A CLIENT RELATIONSHIP WITH HTFS AND ANNUALLY THEREAFTER AS LONG AS CLIENT REMAINS AN ACTIVE CLIENT.

#### **PROXY VOTING**

CLIENTS ARE ADVISED HTFS MAY VOTE PROXIES ON CLIENTS' BEHALF IN THE HOLMES & TURNER CCM ASSET MANAGEMENT PROGRAM UNLESS CLIENT REQUESTS HTFS REFRAIN FROM VOTING THEIR PROXIES. CLIENTS ARE ADVISED THEY MAY REQUEST INFORMATION ON HOW HTFS VOTED THEIR SECURITIES UPON REQUEST TO HTFS.

#### **ASSETS UNDER MANAGEMENT**

FOR THE PERIOD ENDING DECEMBER 31, 2019, HTFS MANAGED CLIENT ASSETS VALUED AT \$50,960,480 ON A DISCRETIONARY BASIS. HTFS PROVIDES INVESTMENT SERVICES TO 80 ACCOUNTS.

## **FEES AND COMPENSATION**

AS PREVIOUSLY STATED IN ITEM 4 ABOVE, HTFS PROVIDES ADVISORY SERVICES TO CLIENTS IN A NUMBER OF DIFFERENT WAYS AND CALCULATION OF FEES MAY VARY BY SERVICES PROVIDED.

### **PORTFOLIO MANAGEMENT THROUGH ATHENA INVEST ADVISORS LLC**

CLIENT FEES ARE PAYABLE QUARTERLY, IN ADVANCE, BASED ON ASSETS UNDER MANAGEMENT. FEES ARE NEGOTIABLE. CLIENTS MAY TERMINATE ATHENA ACCOUNTS AT ANY TIME AND RECEIVE A FULL PRO-RATA REFUND OF ANY UNEARNED FEES.

HTFS NEGOTIATES AND CONTRACTS WITH THE CLIENT FOR AN OVERALL ADVISORY FEE

CLIENTS SHOULD READ ATHENA'S DISCLOSURE BROCHURE AND SUBADVISORY AGREEMENT FOR ADDITIONAL INFORMATION ABOUT ATHENA'S MANAGEMENT PROGRAM. CLIENTS WILL BE CHARGED AN ANNUAL FEE ON A CALENDAR QUARTERLY BASIS IN ADVANCE. EACH CALENDAR QUARTERLY FEE WILL BE BASED ON THE VALUE OF THE CLIENT'S ACCOUNT ON THE LAST BUSINESS DAY OF THE JUST COMPLETED CALENDAR QUARTER. FEES FOR PARTIAL QUARTERS (I.E. ACCOUNTS ESTABLISHED DURING A CALENDAR QUARTER OR CLOSED DURING A CALENDAR QUARTER) WILL BE PRORATED. ACCOUNTS CLOSED OR TERMINATED DURING A CALENDAR QUARTER WILL BE ISSUED A PRORATED REFUND OF FEES. FEE ADJUSTMENTS WILL GENERALLY NOT BE MADE FOR ADDITIONAL DEPOSITS TO THE ACCOUNT OR PARTIAL WITHDRAWALS FROM THE ACCOUNT DURING A CALENDAR QUARTER.

INVESTMENT ADVISORY REPRESENTATIVE FEES MAY VARY CLIENT TO CLIENT AND ADVISOR TO ADVISOR.

### **CCM ASSET MANAGEMENT PROGRAM**

THE ANNUAL FEE FOR THE CCM ASSET MANAGEMENT PROGRAM WILL BE CHARGED AS A PERCENTAGE OF ASSETS UNDER MANAGEMENT OR FLAT ANNUAL DOLLAR FEE, AS OUTLINED BELOW. FEES ARE NEGOTIABLE.

IF CHARGED AS A PERCENT OF ASSETS UNDER MANAGEMENT THE INITIAL FEE WILL BE BASED ON THE VALUE OF THE ASSETS DEPOSITED INTO, EXISTING IN OR MAINTAINED IN THE CLIENT'S ACCOUNT ("ACCOUNT") AS OF THE DATE OF THE MANAGEMENT OF THE ACCOUNT BEING ESTABLISHED. THE INITIAL FEE WILL BE PRORATED BASED ON THE NUMBER OF DAYS REMAINING IN THE APPLICABLE CALENDAR QUARTERLY PERIOD. FOR EACH SUBSEQUENT CALENDAR QUARTER, THE CLIENT WILL PAY IN ADVANCE THE FEE BASED ON THE ENDING ACCOUNT VALUE ON THE LAST BUSINESS DAY OF THE JUST COMPLETED CALENDAR QUARTER. FEES WILL GENERALLY NOT BE ADJUSTED FOR ADDITIONAL DEPOSITS TO THE ACCOUNT OR PARTIAL WITHDRAWALS FROM THE ACCOUNT.

#### **ASSETS UNDER MANAGEMENT**

FIRST \$500,000  
NEXT \$500,000  
NEXT \$1,000,000  
NEXT \$2,000,000  
OVER \$4,000,000

#### **EQUITY & BALANCED**

2.25%  
1.75%  
1.50%  
1.25%  
NEGOTIABLE

THE CLIENT AND THE ADVISORY REPRESENTATIVE MAY NEGOTIATE AN AGREED TO FLAT PERCENTAGE BASED FEE RATHER THAN A BLENDED OR PROGRESSIVE FEE SCHEDULE.

CLIENT PAYS FEES FOR CUSTODIAL SERVICES, ACCOUNT MAINTENANCE FEES AND OTHER FEES ASSOCIATED WITH MAINTAINING THE ACCOUNT. ALSO, CLIENT PAYS THEIR PROPORTIONATE SHARE OF THE FUND'S MANAGEMENT AND ADMINISTRATIVE FEES AND SALES CHARGES AS WELL AS THE MUTUAL FUND ADVISER'S FEE OF ANY MUTUAL FUND THEY PURCHASE. SUCH FEES ARE NOT SHARED WITH HTFS AND ARE COMPENSATION TO THE FUND-MANAGER. CLIENTS SHOULD READ THE MUTUAL FUND PROSPECTUS PRIOR TO INVESTING.

HTFS MAY CHOOSE TO USE A SUB-ADVISOR FOR PORTFOLIO MANAGEMENT SERVICES. A PORTION OF THE ADVISORY FEE CHARGED TO CLIENTS MAYBE PAID TO A SUB-ADVISOR FOR ITS PORTFOLIO MANAGEMENT SERVICES. THE BALANCE OF THE ADVISORY FEE CHARGED TO CLIENTS WILL BE PAID TO HTFS.

THE CLIENT AND THE ADVISORY REPRESENTATIVE MAY NEGOTIATE AND AGREE TO A FLAT ANNUAL DOLLAR FEE THAT WILL BE CHARGED TO CLIENT ON A CALENDAR QUARTERLY BASIS IN ADVANCE. FEES FOR PARTIAL QUARTERS (I.E. AGREEMENT ESTABLISHED DURING A CALENDAR QUARTER) WILL BE PRORATED. AGREEMENT TERMINATED DURING A CALENDAR QUARTER WILL BE ISSUED A PRORATED REFUND OF FEES.

HTFS MAY CHOOSE TO USE A SUB-ADVISOR FOR PORTFOLIO MANAGEMENT SERVICES. IF USING A SUB-ADVISOR THERE WILL BE A MANAGEMENT FEE CHARGED, IN ADDITION TO THE FLAT ANNUAL DOLLAR FEE. THE SUB-ADVISOR FEE WILL BE DEBITED FROM THE ACCOUNT AND PAID DIRECTLY TO THE SUB-ADVISOR. HTFS DOES NOT SHARE IN A PORTION OF THE SUB-ADVISOR FEE. AN ANNUAL FEE WILL BE CHARGED AS A PERCENTAGE OF ASSETS UNDER MANAGEMENT TO CLIENT ON A CALENDAR QUARTERLY BASIS IN ADVANCE. EACH CALENDAR QUARTERLY FEE WILL BE BASED ON THE VALUE OF CLIENT'S ACCOUNT ON THE LAST BUSINESS DAY OF THE JUST COMPLETED CALENDAR QUARTER. FEES FOR PARTIAL QUARTERS (I.E. ACCOUNTS ESTABLISHED DURING A CALENDAR QUARTER OR CLOSED DURING A CALENDAR QUARTER) WILL BE PRORATED. ACCOUNTS CLOSED OR TERMINATED DURING A CALENDAR QUARTER WILL BE ISSUED A PRORATED REFUND OF FEES. FEE ADJUSTMENTS WILL GENERALLY NOT BE MADE FOR ADDITIONAL DEPOSITS TO THE ACCOUNT OR PARTIAL WITHDRAWALS FROM THE ACCOUNT DURING A CALENDAR QUARTER.

CLIENT PAYS FEES FOR CUSTODIAL SERVICES, ACCOUNT MAINTENANCE FEES AND OTHER FEES ASSOCIATED WITH MAINTAINING THE ACCOUNT. ALSO, CLIENT PAYS THEIR PROPORTIONATE SHARE OF THE FUND'S MANAGEMENT AND ADMINISTRATIVE FEES AND SALES CHARGES AS WELL AS THE MUTUAL FUND ADVISER'S FEE OF ANY MUTUAL FUND THEY PURCHASE. CLIENTS SHOULD READ THE MUTUAL FUND PROSPECTUS PRIOR TO INVESTING.

THE CCM ASSET MANAGEMENT PROGRAM ACCOUNT FEES ARE DEDUCTED DIRECTLY FROM CLIENTS' ACCOUNTS. CLIENTS WILL BE PROVIDED WITH AN ACCOUNT STATEMENT REFLECTING THE DEDUCTION OF HTFS'S FEE. IF THE ACCOUNT DOES NOT CONTAIN SUFFICIENT FUNDS TO PAY FEES, HTFS HAS AUTHORITY TO SELL OR REDEEM SECURITIES IN SUFFICIENT AMOUNTS TO PAY FEES.

CLIENTS MAY TERMINATE INVESTMENT ADVISORY SERVICES, WITHOUT PENALTY, UPON WRITTEN NOTICE WITHIN FIVE (5) BUSINESS DAYS AFTER ENTERING INTO THE ADVISORY AGREEMENT WITH HTFS. CLIENT WILL BE RESPONSIBLE FOR ANY FEES AND CHARGES INCURRED BY CLIENT FROM THIRD PARTIES AS A RESULT OF MAINTAINING THE ACCOUNT SUCH AS TRANSACTION FEES FOR ANY

SECURITIES TRANSACTIONS EXECUTED AND ACCOUNT MAINTENANCE OR CUSTODIAL FEES. THEREAFTER, CLIENT MAY TERMINATE INVESTMENT ADVISORY SERVICES AT ANY TIME UPON HTFS'S RECEIPT OF CLIENT'S WRITTEN NOTICE TO TERMINATE. IN THE EVENT INVESTMENT ADVISORY SERVICES ARE TERMINATED BY HTFS PRIOR TO THE LAST BUSINESS DAY OF THE THEN CURRENT CALENDAR QUARTER, A PRO-RATA PORTION OF THE QUARTERLY FEE PAID IN ADVANCE WILL BE REFUNDED TO THE CLIENT BASED ON THE NUMBER OF DAYS REMAINING IN THE QUARTER. IN THE EVENT CLIENT TERMINATES INVESTMENT ADVISORY SERVICES DURING A CALENDAR QUARTER, CLIENT WILL BE ISSUED A PRO-RATA PORTION OF THE QUARTERLY FEE PAID IN ADVANCE.

INVESTMENT ADVISORY REPRESENTATIVE FEES MAY VARY CLIENT TO CLIENT AND ADVISOR TO ADVISOR.

#### **RETIREMENT PLAN CONSULTING**

THE ANNUAL FEE FOR RETIREMENT PLAN CONSULTING WILL BE CHARGED AS A PERCENTAGE OF ASSETS UNDER MANAGEMENT, ACCORDING TO THE SCHEDULE BELOW. FEES ARE NEGOTIABLE. THE INITIAL FEE WILL BE BASED ON THE VALUE OF THE ASSETS DEPOSITED INTO, EXISTING IN OR MAINTAINED IN THE CLIENT'S ACCOUNT ("ACCOUNT") AS OF THE DATE OF THE MANAGEMENT OF THE ACCOUNT BEING ESTABLISHED. THE INITIAL FEE WILL BE PRORATED BASED ON THE NUMBER OF DAYS REMAINING IN THE APPLICABLE CALENDAR QUARTERLY PERIOD. FOR EACH SUBSEQUENT CALENDAR QUARTER, THE CLIENT WILL PAY IN ADVANCE THE FEE BASED ON THE ENDING ACCOUNT VALUE ON THE LAST BUSINESS DAY OF THE JUST COMPLETED CALENDAR QUARTER. FEES WILL GENERALLY NOT BE ADJUSTED FOR ADDITIONAL DEPOSITS TO THE ACCOUNT OR PARTIAL WITHDRAWALS FROM THE ACCOUNT.

<b>ASSETS UNDER MANAGEMENT</b>	<b>FEE %</b>
\$0 - \$500,000	1%
\$500,000 - \$1,000,000	.75%
\$1,000,000 - \$2,000,000	.60%
\$2,000,000 - \$4,000,000	.50%
\$4,000,000 - \$6,000,000	.40%
\$6,000,000 - \$10,000,000	.30%
\$10,000,000 - \$20,000,000	.20%
\$20,000,000+	Negotiable

THE CLIENT AND THE ADVISORY REPRESENTATIVE CAN NEGOTIATE AN AGREED TO FLAT PERCENTAGE BASED FEE RATHER THAN A BLENDED OR PROGRESSIVE FEE SCHEDULE.

CLIENTS ARE ADVISED PERFORMANCE MAY BE AFFECTED MORE ON SMALLER ACCOUNTS DUE TO DIFFICULTIES WITH DIVERSIFYING SMALLER ACCOUNTS AND DUE TO RISK CONTROLS POTENTIALLY BEING COMPROMISED. SMALLER ACCOUNTS ARE DEFINED AS ACCOUNTS LESS THAN \$100,000. PERFORMANCE OF SMALLER ACCOUNTS MAY VARY FROM THE PERFORMANCE OF ACCOUNTS WITH MORE DOLLARS INVESTED DUE TO FLUCTUATIONS IN THE MARKET THAT MAY AFFECT SMALLER ACCOUNTS MORE AND THE EFFECTS OF COMPOUNDING MAY BE GREATER IN LARGER ACCOUNTS.

IN ADDITION TO THE ADVISORY FEES ABOVE, CLIENT PAYS FEES FOR RECORD KEEPING, 3(38 FIDUCIARY SERVICES, CUSTODIAL SERVICES, ACCOUNT MAINTENANCE FEES AND OTHER FEES ASSOCIATED WITH MAINTAINING THE ACCOUNT. ALSO, CLIENT PAYS THEIR PROPORTIONATE SHARE OF THE FUND'S MANAGEMENT AND ADMINISTRATIVE FEES AND SALES CHARGES AS WELL

AS THE MUTUAL FUND ADVISER'S FEE OF ANY MUTUAL FUND THEY PURCHASE. SUCH FEES ARE NOT SHARED WITH CASCADE AND ARE COMPENSATION TO THE FUND-MANAGER.

ADVISORY FEES ARE GENERALLY DEDUCTED DIRECTLY FROM CLIENTS' ACCOUNTS PROVIDED CLIENT HAS AUTHORIZED CASCADE TO DEDUCT THE FEES. CLIENTS WILL BE PROVIDED WITH AN ACCOUNT STATEMENT REFLECTING THE DEDUCTION OF CASCADE'S FEE. IF THE ACCOUNT DOES NOT CONTAIN SUFFICIENT FUNDS TO PAY FEES, CASCADE HAS LIMITED AUTHORITY TO SELL OR REDEEM SECURITIES IN SUFFICIENT AMOUNTS TO PAY FEES. CLIENTS WHO HAVE NOT AUTHORIZED THE DEDUCTION OF FEES FROM CLIENT'S ACCOUNT WILL BE REQUESTED TO SUBMIT A CHECK IN THE AMOUNT OF THE FEES DUE.

CLIENTS MAY TERMINATE INVESTMENT ADVISORY SERVICES, WITHOUT PENALTY, UPON WRITTEN NOTICE WITHIN FIVE (5) BUSINESS DAYS AFTER ENTERING INTO THE ADVISORY AGREEMENT WITH CASCADE. CLIENT WILL BE RESPONSIBLE FOR ANY FEES AND CHARGES INCURRED BY CLIENT FROM THIRD PARTIES AS A RESULT OF MAINTAINING THE ACCOUNT SUCH AS TRANSACTION FEES FOR ANY SECURITIES TRANSACTIONS EXECUTED AND ACCOUNT MAINTENANCE OR CUSTODIAL FEES. THEREAFTER, CLIENT MAY TERMINATE INVESTMENT ADVISORY SERVICES AT ANY TIME UPON CASCADE'S RECEIPT OF CLIENT'S WRITTEN NOTICE TO TERMINATE. IN THE EVENT INVESTMENT ADVISORY SERVICES ARE TERMINATED BY CASCADE PRIOR TO THE LAST BUSINESS DAY OF THE THEN CURRENT CALENDAR QUARTER, A PRO-RATA PORTION OF THE QUARTERLY FEE PAID IN ADVANCE WILL BE REFUNDED TO THE CLIENT BASED ON THE NUMBER OF DAYS REMAINING IN THE QUARTER. IN THE EVENT CLIENT TERMINATES INVESTMENT ADVISORY SERVICES DURING A CALENDAR QUARTER, CLIENT WILL BE ISSUED A PRO-RATA PORTION OF THE QUARTERLY FEE PAID IN ADVANCE. INVESTMENT ADVISORY REPRESENTATIVE FEES MAY VARY CLIENT TO CLIENT AND ADVISOR TO ADVISOR.

### **PERFORMANCE BASED FEES**

HTFS DOES NOT ACCEPT PERFORMANCE BASED FEES.

### **TYPES OF CLIENTS**

HTFS PROVIDES INVESTMENT ADVISORY SERVICES TO INDIVIDUALS, HIGH NET WORTH INDIVIDUALS, PENSION AND PROFIT SHARING PLANS, CHARITABLE ORGANIZATIONS, AND CORPORATIONS.

### **METHODS OF ANALYSIS INVESTMENT STRATEGIES RISK OF LOSS**

ALL INVESTORS MUST UNDERSTAND THAT INVESTING IN THE SECURITIES MARKETS INVOLVES RISK OF LOSS. THERE CAN BE NO ASSURANCE THAT AN INVESTOR MAY EXPERIENCE A LOSS OR MAKE A PROFIT. HTFS HAS DEVISED VARIOUS STRATEGIES IN ITS ATTEMPT TO MINIMIZE THE OPPORTUNITY FOR LOSS. THERE CAN BE NO ASSURANCE THAT ANY INVESTMENT STRATEGY SHALL RESULT IN NO LOSS.

### **METHODS OF ANALYSIS**

HTFS UTILIZES BOTH FUNDAMENTAL AND TECHNICAL ANALYSIS METHODS TO MANAGE CLIENT PORTFOLIOS.

FUNDAMENTAL ANALYSIS OF A BUSINESS INVOLVES ANALYZING ITS FINANCIAL STATEMENTS AND HEALTH, ITS MANAGEMENT AND COMPETITIVE ADVANTAGES, AND ITS COMPETITORS AND MARKETS. WHEN APPLIED TO FUTURES AND FOREIGN EXCHANGE MARKETS, IT FOCUSES ON THE OVERALL STATE OF THE ECONOMY, INTEREST RATES, PRODUCTION, EARNINGS, AND MANAGEMENT. WHEN ANALYZING A STOCK, FUTURES CONTRACT, OR CURRENCY USING FUNDAMENTAL ANALYSIS THERE ARE TWO BASIC APPROACHES ONE CAN USE; BOTTOM UP ANALYSIS AND TOP DOWN ANALYSIS.

TECHNICAL ANALYSIS INVOLVES EXAMINING WHAT INVESTORS FEAR OR THINK ABOUT THOSE DEVELOPMENTS AND WHETHER OR NOT INVESTORS HAVE THE WHEREWITHALL TO BACK UP THEIR OPINIONS. THESE TWO CONCEPTS ARE CALLED PSYCH (PSYCHOLOGY) AND SUPPLY/DEMAND. TECHNICIANS EMPLOY MANY TECHNIQUES, ONE OF WHICH IS THE USE OF CHARTS. USING CHARTS, TECHNICAL ANALYSTS SEEK TO IDENTIFY PRICE PATTERNS AND MARKET TRENDS IN FINANCIAL MARKETS AND ATTEMPT TO EXPLOIT THOSE PATTERNS.

### **INVESTMENT STRATEGIES**

HTFS MAY UTILIZE A VARIETY OF DIFFERENT STRATEGIES TO ACCOMPLISH ITS CLIENT'S INVESTMENT OBJECTIVE, THESE STRATEGIES INCLUDE:

LONG TERM PURCHASES INVOLVES THE PURCHASE OF SECURITIES THAT ARE INTENDED TO BE HELD FOR AT LEAST TWELVE MONTHS.

SHORT TERM PURCHASES INVOLVES THE PURCHASE AND SALE OF SECURITIES IN LESS THAN A TWELVE MONTH PERIOD.

TRADING SECURITIES INVOLVES THE PURCHASE AND SALE OF SECURITIES IN A PERIOD OF LESS THAN THIRTY DAYS. PORTFOLIO EXPENSES MAY BE INCREASED WITH MORE FREQUENT TRADING.

MARGIN INVOLVES THE PURCHASE OF SECURITIES WITH CREDIT PROVIDED BY YOUR BROKER'S FIRM. THE USE OF MARGIN CAN INCREASE THE RISK OF LOSS IN A PORTFOLIO AS WELL AS CAUSE THE PORTFOLIO TO INCUR INTEREST CHARGES FOR THE LOANED FUNDS.

OPTIONS WRITING INVOLVES WRITING CONTRACTS ON SECURITIES YOU OWN (COVERED), SECURITIES YOU DO NOT OWN (UNCOVERED) OR A COMBINATION OF PUTS AND CALLS FOR A PARTICULAR HEDGING STRATEGY.

### **RISK OF LOSS**

WITH EACH INVESTMENT STRATEGY, THERE COMES A CERTAIN LEVEL OF RISK. INVESTMENT ADVISORS MUST DETERMINE THE LEVEL OF RISK THAT A PARTICULAR CLIENT IS WILLING TO ACCEPT AND DEVELOP A PORTFOLIO STRATEGY SUITABLE FOR THE CLIENT. IT IS A FAIR RULE OF THUMB THAT THE SHORTER THE HOLDING PERIOD THE GREATER THE RISK. HOWEVER, THERE CAN BE NO ASSURANCE THAT ANY STRATEGY WHETHER LONG TERM OR SHORT TERM WILL RESULT IN A PROFIT AND CANNOT RESULT IN A LOSS.

### **DISCIPLINARY INFORMATION**

NEITHER THE FIRM NOR ITS PRINCIPALS HAVE ANY DISCIPLINARY INFORMATION.

## **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

THE ADVISORY REPRESENTATIVES OF HTFS MAY ALSO BE REGISTERED REPRESENTATIVES OF CASCADE FINANCIAL MANAGEMENT INC., THE BROKER-DEALER. THIS REPRESENTS A CONFLICT OF INTEREST AS TO WHAT POSITION THE ADVISOR IS TAKING WHEN SERVICING AN ADVISORY CLIENT. SALES OF SECURITIES PRODUCTS ARE ON A COMMISSION BASIS AND ARE IN ADDITION TO ANY FEES CHARGED BY THE ADVISOR TO THE CLIENT. CLIENTS ARE UNDER NO OBLIGATION TO PURCHASE ANY SECURITIES FROM OUR AFFILIATED BROKER-DEALER

IN ADDITION, CASCADE FINANCIAL MANAGEMENT IS A LICENSED INSURANCE AGENCY. THIS REPRESENTS A CONFLICT OF INTEREST IN THAT ADVISORS MAY OFFER CLIENTS INSURANCE PRODUCTS THAT ARE SOLD ON COMMISSION BASIS AND ARE IN ADDITION TO ANY FEES CHARGED BY THE ADVISOR TO THE CLIENT. CLIENTS ARE UNDER NO OBLIGATION TO PURCHASE ANY INSURANCE PRODUCTS FROM CASCADE FINANCIAL MANAGEMENT.

DAVID TURNER IS CEO OF CASCADE FINANCIAL MANAGEMENT INC., A BROKER DEALER & REGISTERED INVESTMENT ADVISOR. THROUGH HIS OWNERSHIP IN HOLMES AND TURNER FINANCIAL SERVICES, THE FIRMS ARE AFFILIATES. BOTH FIRMS PROVIDE SIMILAR SERVICES AS HTFS.

## **CODE OF ETHICS**

HTFS HAS A FIDUCIARY DUTY TO CLIENTS TO ACT IN THE BEST INTEREST OF THE CLIENT AND ALWAYS PLACE THE CLIENT'S INTERESTS FIRST AND FOREMOST. HTFS TAKES SERIOUSLY ITS COMPLIANCE AND REGULATORY OBLIGATIONS AND REQUIRES ALL STAFF TO COMPLY WITH SUCH RULES AND REGULATIONS AS WELL AS HTFS'S POLICIES AND PROCEDURES. FURTHER, HTFS STRIVES TO HANDLE CLIENTS' NON-PUBLIC INFORMATION IN SUCH A WAY TO PROTECT INFORMATION FROM FALLING INTO HANDS THAT HAVE NO BUSINESS REASON TO KNOW SUCH INFORMATION AND PROVIDES CLIENTS WITH HTFS'S PRIVACY POLICY. AS SUCH, HTFS MAINTAINS A CODE OF ETHICS FOR ITS ADVISORY REPRESENTATIVES, SUPERVISED PERSONS AND STAFF. THE CODE OF ETHICS CONTAINS PROVISIONS FOR STANDARDS OF BUSINESS CONDUCT IN ORDER TO COMPLY WITH FEDERAL SECURITIES LAWS, PERSONAL SECURITIES REPORTING REQUIREMENTS, PRE-APPROVAL PROCEDURES FOR CERTAIN TRANSACTIONS, CODE VIOLATIONS REPORTING REQUIREMENTS, AND SAFEGUARDING OF MATERIAL NON-PUBLIC INFORMATION ABOUT CLIENT TRANSACTIONS. FURTHER, HTFS'S CODE OF ETHICS ESTABLISHES HTFS'S EXPECTATION FOR BUSINESS CONDUCT. A COPY OF OUR CODE OF ETHICS WILL BE PROVIDED TO ANY CLIENT OR PROSPECTIVE CLIENT UPON REQUEST.

ADVISORY REPRESENTATIVES OF HTFS MAY BUY OR SELL SECURITIES IDENTICAL TO THOSE SECURITIES RECOMMENDED TO CLIENTS. THEREFORE, ADVISORY REPRESENTATIVES MAY HAVE AN INTEREST OR POSITION IN CERTAIN SECURITIES THAT ARE ALSO RECOMMENDED AND BOUGHT OR SOLD TO CLIENTS. ADVISORY REPRESENTATIVES WILL NOT PUT THEIR INTERESTS BEFORE A CLIENT'S INTEREST. HTFS IS REQUIRED TO MAINTAIN A LIST OF ALL SECURITIES HOLDINGS FOR ITS ASSOCIATED PERSONS. FURTHER, ASSOCIATED PERSONS ARE PROHIBITED FROM TRADING ON NON-PUBLIC INFORMATION OR SHARING SUCH INFORMATION. CLIENTS HAVE THE RIGHT TO DECLINE ANY INVESTMENT RECOMMENDATION. HTFS AND ITS ASSOCIATED PERSONS ARE REQUIRED TO CONDUCT THEIR SECURITIES AND INVESTMENT ADVISORY BUSINESS IN ACCORDANCE WITH ALL APPLICABLE FEDERAL AND STATE SECURITIES REGULATIONS.

IT IS THE EXPRESSED POLICY OF HTFS THAT NO PERSON EMPLOYED BY HTFS MAY PURCHASE OR SELL ANY SECURITY PRIOR TO A TRANSACTION(S) BEING IMPLEMENTED FOR AN ADVISORY ACCOUNT, AND THEREFORE, PREVENTING SUCH EMPLOYEES FROM BENEFITING FROM TRANSACTIONS PLACED ON BEHALF OF ADVISORY ACCOUNTS.

AS THESE SITUATIONS REPRESENT A CONFLICT OF INTEREST, HTFS HAS ESTABLISHED THE FOLLOWING RESTRICTIONS IN ORDER TO ENSURE ITS FIDUCIARY RESPONSIBILITIES:

- AN OFFICER OR EMPLOYEE OF HTFS SHALL NOT BUY OR SELL SECURITIES FOR THEIR PERSONAL PORTFOLIO(S) WHERE THEIR DECISION IS SUBSTANTIALLY DERIVED, IN WHOLE OR IN PART, BY REASON OF HIS OR HER EMPLOYMENT UNLESS THE INFORMATION IS ALSO AVAILABLE TO THE INVESTING PUBLIC ON REASONABLE INQUIRY. NO PERSON OF HTFS SHALL PREFER HIS OR HER OWN INTEREST TO THAT OF THE ADVISORY CLIENT.
- HTFS MAINTAINS A LIST OF ALL SECURITIES HOLDINGS FOR ITSELF AND FOR ANYONE ASSOCIATED WITH THIS ADVISORY PRACTICE WITH ACCESS TO ADVISORY RECOMMENDATIONS. THESE HOLDINGS ARE REVIEWED ON A REGULAR BASIS BY AN APPROPRIATE OFFICER OR DESIGNATED INDIVIDUAL OF HTFS.
- ALL CLIENTS ARE FULLY INFORMED THAT CERTAIN INDIVIDUALS MAY RECEIVE SEPARATE COMPENSATION WHEN EFFECTING TRANSACTIONS DURING THE IMPLEMENTATION PROCESS.
- HTFS EMPHASIZES THE UNRESTRICTED RIGHT OF THE CLIENT TO DECLINE TO IMPLEMENT ANY ADVICE RENDERED, EXCEPT IN SITUATIONS WHERE HTFS IS GRANTED DISCRETIONARY AUTHORITY OF THE CLIENT'S ACCOUNT.
- HTFS EMPHASIZES THE UNRESTRICTED RIGHT OF THE CLIENT TO SELECT AND CHOOSE ANY BROKER OR DEALER, AND/OR INSURANCE COMPANY, HOWEVER, HTFS'S ACTIVITIES MAY BE LIMITED OR RESTRICTED SHOULD CLIENT SELECT ANOTHER BROKER OR DEALER.
- HTFS REQUIRES THAT ALL INDIVIDUALS MUST ACT IN ACCORDANCE WITH ALL APPLICABLE FEDERAL AND STATE REGULATIONS GOVERNING REGISTERED INVESTMENT ADVISORY PRACTICES. ANY INDIVIDUAL NOT IN OBSERVANCE OF THE ABOVE MAY BE SUBJECT TO TERMINATION
- HTFS WILL AGGREGATE THE PURCHASE OR SALE OF SECURITIES FOR VARIOUS CLIENT ACCOUNTS WHEN THERE IS AN OPPORTUNITY TO DO SO. NOT ALL TRANSACTIONS FOR VARIOUS CLIENT ACCOUNTS ARE DONE AT THE SAME TIME. IF NOT DONE AT THE SAME TIME TRANSACTIONS WILL NOT BE AGGREGATED. IF TRANSACTION IS NOT AGGREGATED THE CLIENT MAY RECEIVE BETTER OR WORSE EXECUTION DEPENDING ON WHEN THE TRANSACTION IS EXECUTED.

#### **IRA ROLLOVER CONSIDERATIONS**

AS PART OF OUR CONSULTING AND ADVISORY SERVICES, WE MAY PROVIDE YOU RECOMMENDATIONS AND ADVICE CONCERNING YOUR EMPLOYER RETIREMENT PLAN OR OTHER QUALIFIED RETIREMENT ACCOUNT. OUR RECOMMENDATIONS MAY INCLUDE YOU CONSIDER WITHDRAWING THE ASSETS FROM YOUR EMPLOYER'S RETIREMENT PLAN OR OTHER QUALIFIED RETIREMENT ACCOUNT AND ROLL THE ASSETS OVER TO AN INDIVIDUAL RETIREMENT ACCOUNT ("IRA"). FURTHER, WE OFFER OUR MANAGEMENT SERVICES BE APPLIED TO THOSE FUNDS AND SECURITIES ROLLED INTO AN IRA OR OTHER ACCOUNT FOR WHICH WE WILL RECEIVE COMPENSATION. IF YOU ELECT TO ROLL THE ASSETS TO AN IRA THAT IS SUBJECT TO OUR MANAGEMENT, WE WILL CHARGE YOU AN ASSET BASED FEE AS DESCRIBED ABOVE UNDER ITEM 5. THIS PRACTICE PRESENTS A CONFLICT OF INTEREST BECAUSE PERSONS PROVIDING INVESTMENT ADVICE ON YOUR BEHALF HAVE AN INCENTIVE TO RECOMMEND A ROLLOVER TO YOU FOR THE PURPOSE OF GENERATING FEE BASED COMPENSATION RATHER THAN SOLELY BASED ON YOUR

NEEDS. YOU ARE UNDER NO OBLIGATION, CONTRACTUALLY OR OTHERWISE, TO COMPLETE THE ROLLOVER. FURTHERMORE, IF YOU DO COMPLETE THE ROLLOVER, YOU ARE UNDER NO OBLIGATION TO HAVE THE ASSETS IN AN IRA MANAGED BY US.

IT IS IMPORTANT FOR YOU TO UNDERSTAND MANY EMPLOYERS PERMIT FORMER EMPLOYEES TO KEEP THEIR RETIREMENT ASSETS IN THEIR COMPANY PLAN. ALSO, CURRENT EMPLOYEES CAN SOMETIMES MOVE ASSETS OUT OF THEIR COMPANY PLAN BEFORE THEY RETIRE OR CHANGE JOBS. IN DETERMINING WHETHER TO COMPLETE THE ROLLOVER TO AN IRA, AND TO THE EXTENT THE FOLLOWING OPTIONS ARE AVAILABLE, YOU SHOULD CONSIDER THE COSTS AND BENEFITS OF EACH.

AN EMPLOYEE WILL TYPICALLY HAVE FOUR OPTIONS:

1. LEAVE THE FUNDS IN YOUR EMPLOYER'S (FORMER EMPLOYER'S) PLAN.
2. MOVE THE FUNDS TO A NEW EMPLOYER'S RETIREMENT PLAN.
3. CASH OUT AND TAKING A TAXABLE DISTRIBUTION FROM THE PLAN.
4. ROLL THE FUNDS INTO AN IRA ROLLOVER ACCOUNT.

EACH OF THESE OPTIONS HAS ADVANTAGES AND DISADVANTAGES AND BEFORE MAKING A CHANGE WE ENCOURAGE YOU TO SPEAK WITH YOUR CPA AND/OR TAX ATTORNEY.

IF YOU ARE CONSIDERING ROLLING OVER YOUR RETIREMENT FUNDS TO AN IRA FOR US TO MANAGE IT IS IMPORTANT YOU UNDERSTAND THE FOLLOWING:

1. DETERMINE WHETHER THE INVESTMENT OPTIONS IN YOUR EMPLOYER'S RETIREMENT PLAN ADDRESS YOUR NEEDS OR WHETHER YOU MIGHT WANT TO CONSIDER OTHER TYPES OF INVESTMENTS.
  - A. EMPLOYER RETIREMENT PLANS GENERALLY HAVE A MORE LIMITED INVESTMENT MENU THAN IRAS.
  - B. EMPLOYER RETIREMENT PLANS MAY HAVE UNIQUE INVESTMENT OPTIONS NOT AVAILABLE TO THE PUBLIC SUCH AS EMPLOYER SECURITIES, OR PREVIOUSLY CLOSED FUNDS.
2. YOUR CURRENT PLAN MAY HAVE LOWER FEES THAN OUR FEES.
  - A. IF YOU ARE INTERESTED IN INVESTING ONLY IN MUTUAL FUNDS, YOU SHOULD UNDERSTAND THE COST STRUCTURE OF THE SHARE CLASSES AVAILABLE IN YOUR EMPLOYER'S RETIREMENT PLAN AND HOW THE COSTS OF THOSE SHARE CLASSES COMPARE WITH THOSE AVAILABLE IN AN IRA.
  - B. YOU SHOULD UNDERSTAND THE VARIOUS PRODUCTS AND SERVICES YOU MIGHT TAKE ADVANTAGE OF AT AN IRA PROVIDER AND THE POTENTIAL COSTS OF THOSE PRODUCTS AND SERVICES.
  - C. IT IS LIKELY YOU WILL NOT BE CHARGED A MANAGEMENT FEE AND WILL NOT RECEIVE ONGOING ASSET MANAGEMENT SERVICES UNLESS YOU ELECT TO HAVE SUCH SERVICES. IN THE EVENT YOUR PLAN OFFERS ASSET MANAGEMENT OR MODEL MANAGEMENT, THERE MAY BE A FEE ASSOCIATED WITH THE SERVICES THAT IS MORE OR LESS THAN OUR ASSET MANAGEMENT FEE.
3. OUR STRATEGY MAY HAVE HIGHER RISK THAN THE OPTION(S) PROVIDED TO YOU IN YOUR PLAN.

4. YOUR CURRENT PLAN MAY OFFER FINANCIAL ADVICE, GUIDANCE, AND/OR MODEL MANAGEMENT OR PORTFOLIO OPTIONS AT NO ADDITIONAL COST.
5. IF YOU KEEP YOUR ASSETS TITLED IN A 401K OR RETIREMENT ACCOUNT, YOU COULD POTENTIALLY DELAY YOUR REQUIRED MINIMUM DISTRIBUTION BEYOND AGE 70.5 (70 ½).
6. YOUR 401K MAY OFFER MORE LIABILITY PROTECTION THAN A ROLLOVER IRA; EACH STATE MAY VARY.
  - A. GENERALLY, FEDERAL LAW PROTECTS ASSETS IN QUALIFIED PLANS FROM CREDITORS. SINCE 2005, IRA ASSETS HAVE BEEN GENERALLY PROTECTED FROM CREDITORS IN BANKRUPTCIES. HOWEVER, THERE CAN BE SOME EXCEPTIONS TO THE GENERAL RULES SO YOU SHOULD CONSULT AN ATTORNEY IF YOU ARE CONCERNED ABOUT PROTECTING YOUR RETIREMENT PLAN ASSETS FROM CREDITORS.
7. YOU MAY BE ABLE TO TAKE OUT A LOAN ON YOUR 401K, BUT NOT FROM AN IRA.
8. IRA ASSETS CAN BE ACCESSED ANY TIME; HOWEVER, DISTRIBUTIONS ARE SUBJECT TO ORDINARY INCOME TAX AND MAY ALSO BE SUBJECT TO A 10% EARLY DISTRIBUTION PENALTY UNLESS THEY QUALIFY FOR AN EXCEPTION SUCH AS DISABILITY, HIGHER EDUCATION EXPENSES OR THE PURCHASE OF A HOME.
9. IF YOU OWN COMPANY STOCK IN YOUR PLAN, YOU MAY BE ABLE TO LIQUIDATE THOSE SHARES AT A LOWER CAPITAL GAINS TAX RATE.
10. YOUR PLAN MAY ALLOW YOU TO HIRE US AS THE MANAGER AND KEEP THE ASSETS TITLED IN THE PLAN NAME.

IT IS IMPORTANT THAT YOU UNDERSTAND THE DIFFERENCES BETWEEN THESE TYPES OF ACCOUNTS AND TO DECIDE WHETHER A ROLLOVER IS BEST FOR YOU. PRIOR TO PROCEEDING, IF YOU HAVE QUESTIONS CONTACT YOUR INVESTMENT ADVISER REPRESENTATIVE, OR CALL OUR MAIN NUMBER AS LISTED ON THE COVER PAGE OF THIS BROCHURE.

### **BROKERAGE PRACTICES**

ADVISORY REPRESENTATIVES OF HTFS MAY BE REGISTERED REPRESENTATIVES WITH CASCADE FINANCIAL MANAGEMENT INC. IN ITS CAPACITY AS A REGISTERED BROKER-DEALER. ADVISORY REPRESENTATIVES ARE SUBJECT TO RULES OF THE FINANCIAL INDUSTRY REGULATORY ASSOCIATION (FINRA) AND ARE LIMITED TO EXECUTING SECURITIES TRANSACTIONS THROUGH CASCADE UNLESS ADVISORY REPRESENTATIVES OBTAIN AUTHORIZATION TO EXECUTE SECURITIES TRANSACTIONS THROUGH ANOTHER BROKER-DEALER. AUTHORIZATIONS TO EXECUTE SECURITIES TRANSACTIONS THROUGH ANOTHER BROKER-DEALER ARE GENERALLY VERY LIMITED.

CASCADE HAS ENTERED INTO A CLEARING AND CUSTODIAL ARRANGEMENT WITH RAYMOND JAMES ASSOCIATES, INC. FOR CLIENTS PARTICIPATING IN ASSET MANAGEMENT SERVICES PROVIDED BY HTFS. HTFS WILL UTILIZE RAYMOND JAMES FINANCIAL ASSOCIATES, INC. (RJA), FOR CUSTODY OF CUSTOMER ASSETS AND EXECUTION OF CUSTOMER TRANSACTIONS. RAYMOND JAMES & ASSOCIATES, INC. (RJA), IS A MEMBER OF THE NEW YORK STOCK EXCHANGE (NYSE) AND THE SECURITIES INVESTOR PROTECTION CORPORATION (SIPC), ACTS AS THE CLEARING AGENT IN THE EXECUTION OF SECURITIES TRANSACTIONS PLACED THROUGH RJA. CASCADE & HTFS ARE INDEPENDENTLY OWNED AND OPERATED AND NOT AFFILIATED WITH RJA.

NOT ALL INVESTMENT ADVISERS REQUIRE YOU TO MAINTAIN ACCOUNTS AT A SPECIFIC

BROKER/DEALER. YOU MAY MAINTAIN ACCOUNTS AT ANOTHER BROKER/DEALER. HOWEVER, THE SERVICES PROVIDED BY HTFS WILL BE LIMITED TO ONLY ADVICE AND WILL NOT INCLUDE IMPLEMENTATION. IF YOU SELECT ANOTHER BROKERAGE FIRM FOR CUSTODIAL AND/OR BROKERAGE SERVICES YOU MAY NOT BE ABLE TO RECEIVE ASSET MANAGEMENT SERVICES FROM HTFS.

THERE IS AN INCENTIVE FOR HTFS TO RECOMMEND RJA OVER ANOTHER BROKER/DEALER BASED ON THE PRODUCTS AND SERVICES THAT WILL BE RECEIVED RATHER THAN YOUR BEST INTEREST. THEREFORE, CLIENTS MAY PAY COMMISSIONS HIGHER THAN THOSE CHARGED BY OTHER BROKER/DEALERS IN RETURN FOR THE PRODUCTS AND SERVICES RECEIVED BY HTFS. THE PRODUCTS AND SERVICES HTFS RECEIVES FROM CUSTODIANS WILL BE USED TO BENEFIT ALL CLIENTS INCLUDING THOSE CLIENTS WHO ELECT TO MAINTAIN THEIR ACCOUNTS ELSEWHERE.

## **REVIEW OF ACCOUNTS**

### **FINANCIAL PLANNING & CONSULTING SERVICES**

REVIEWS WILL BE CONDUCTED WITH CLIENTS NOT LESS THAN AT LEAST ANNUALLY OR AS AGREED BY CLIENT AND ADVISORY REPRESENTATIVE. CLIENTS MAY BE CHARGED AN ADVISORY FEE FOR ADDITIONAL REVIEWS.

### **ADDITIONAL INFORMATION REGARDING REVIEWS OF ACCOUNTS**

CLIENTS MAY REQUEST MORE FREQUENT REVIEWS AND MAY SET THRESHOLDS FOR TRIGGERING EVENTS THAT WOULD CAUSE A REVIEW TO TAKE PLACE. GENERALLY, ADVISORY REPRESENTATIVES WILL MONITOR FOR CHANGES OR SHIFTS IN THE ECONOMY, CHANGES TO THE MANAGEMENT AND STRUCTURE OF A MUTUAL FUND OR COMPANY IN WHICH CLIENT ASSETS ARE INVESTED, AND MARKET SHIFTS AND CORRECTIONS. CLIENTS ARE ADVISED THAT THEY SHOULD NOTIFY THEIR ADVISORY REPRESENTATIVE PROMPTLY OF ANY CHANGES TO THE CLIENT'S FINANCIAL GOALS, OBJECTIVES OR FINANCIAL SITUATION AS SUCH CHANGES MAY REQUIRE ADVISORY REPRESENTATIVE TO REVIEW THE CLIENTS PORTFOLIO AND MAKE RECOMMENDATIONS FOR CHANGES.

### **REVIEWERS**

REVIEWS OF CLIENT ACCOUNTS WILL BE CONDUCTED BY THE CLIENT'S ADVISORY REPRESENTATIVE OF RECORD. CLIENTS HAVE THE CHOICE TO SELECT THEIR ADVISORY REPRESENTATIVE.

### **REGULAR REPORTS PROVIDED TO CLIENTS**

HOLMES & TURNER CCM ASSET MANAGEMENT PROGRAM CLIENTS WILL RECEIVE CUSTODIAL STATEMENTS FROM THEIR SELECTED CUSTODIANS. THE CUSTODIAL STATEMENTS CONSIST OF THE CLIENT'S CURRENT POSITIONS, SECURITY COST BASIS AND CURRENT MARKET VALUE. ALSO, HTFS MAY PROVIDE CLIENTS WITH PERFORMANCE ANALYSIS REPORTS, WHICH DISPLAY THE TIME WEIGHTED RATES OF RETURN REALIZED IN THE CLIENT'S ACCOUNT FOR AT LEAST THE PAST QUARTER'S PERFORMANCE. CLIENTS MAY REQUEST MORE FREQUENT REPORTS.

INVESTORS PARTICIPATING IN THE ASSETMARK WEALTH MANAGEMENT PLATFORM, WILL RECEIVE PERIODIC CUSTODIAL ACCOUNT STATEMENTS (NOT LESS FREQUENTLY THAN QUARTERLY) AND MAY RECEIVE QUARTERLY REPORTS SHOWING THE INVESTMENT PERFORMANCE OF THEIR ACCOUNT.

### **FINANCIAL PLANNING & CONSULTING SERVICES**

FINANCIAL PLANNING AND CONSULTING CLIENTS WILL RECEIVE THOSE REPORTS CONTRACTED FOR

AT THE INCEPTION OF THE ADVISORY RELATIONSHIP.

### **CLIENT REFERRALS AND OTHER COMPENSATION**

RAYMOND JAMES, MAKE AVAILABLE TO HTFS OTHER PRODUCTS AND SERVICES THAT BENEFIT HTFS BUT MAY NOT BENEFIT ITS CLIENTS' ACCOUNTS. SOME OF THESE OTHER PRODUCTS AND SERVICES ASSIST HTFS IN MANAGING AND ADMINISTERING CLIENTS' ACCOUNTS. THESE INCLUDE SOFTWARE AND OTHER TECHNOLOGY THAT PROVIDE ACCESS TO CLIENT ACCOUNT DATA, SUCH AS TRADE CONFIRMATION AND ACCOUNT STATEMENTS; FACILITATE TRADE EXECUTION AND ALLOCATION OF AGGREGATED TRADE ORDERS FOR MULTIPLE CLIENT ACCOUNTS; PROVIDE RESEARCH, PRICING INFORMATION AND OTHER MARKET DATA; FACILITATE PAYMENT OF HTFS'S FEES FROM ITS CLIENTS' ACCOUNTS; AND ASSIST WITH BACK-OFFICE FUNCTIONS, RECORDKEEPING AND CLIENT REPORTING. MANY OF THESE SERVICES GENERALLY MAY BE USED TO SERVICE ALL OR A SUBSTANTIAL NUMBER OF HTFS'S ACCOUNTS, INCLUDING ACCOUNTS NOT MAINTAINED AT RAYMOND JAMES. RAYMOND JAMES ALSO MAKES AVAILABLE TO HTFS OTHER SERVICES INTENDED TO HELP HTFS MANAGE AND FURTHER DEVELOP ITS BUSINESS ENTERPRISE. THESE SERVICES MAY INCLUDE CONSULTING, PUBLICATIONS AND CONFERENCES ON PRACTICE MANAGEMENT, INFORMATION TECHNOLOGY, BUSINESS SUCCESSION, REGULATORY COMPLIANCE AND MARKETING. IN ADDITION, RAYMOND JAMES MAY MAKE AVAILABLE, ARRANGE AND/OR PAY FOR THESE TYPES OF SERVICES RENDERED TO HTFS BY INDEPENDENT THIRD PARTIES. RAYMOND JAMES 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 HTFS WHILE AS A FIDUCIARY, HTFS ENDEAVORS TO ACT IN ITS CLIENTS' BEST INTERESTS, AND HTFS'S RECOMMENDATION THAT CLIENTS MAINTAIN THEIR ASSETS IN ACCOUNTS AT RAYMOND JAMES MAY BE BASED IN PART ON THE BENEFIT TO HTFS 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 RAYMOND JAMES WHICH MAY CREATE A CONFLICT OF INTEREST.

RAYMOND JAMES 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 CASCADE & HTFS WHILE AS A FIDUCIARY, HTFS ENDEAVORS TO ACT IN ITS CLIENTS' BEST INTERESTS, AND HTFS'S RECOMMENDATION THAT CLIENTS MAINTAIN THEIR ASSETS IN ACCOUNTS AT OR RAYMOND JAMES MAY BE BASED IN PART ON THE BENEFIT TO CASCADE & HTFS 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 OR RAYMOND JAMES WHICH MAY CREATE A CONFLICT OF INTEREST.

ADDITIONALLY, RAYMOND JAMES HAS PROVIDED CASCADE WITH MONETARY ASSISTANCE TO ASSIST WITH THE COST AND TIME OF TRANSFERRING MANAGED ACCOUNT ASSETS TO RJFS. CASCADE IS ELIGIBLE TO RECEIVE UP TO \$400,000 IN TRANSITION ASSISTANCE FROM RAYMOND JAMES. \$300,000 BASED ON INITIAL TRANSFER AND ADDITIONAL \$100,000 IF CASCADE HAS AT LEAST \$275,000,000 ASSETS HELD IN CUSTODY WITHIN THE FIRST 15 MONTHS. CASCADE MUST MAINTAIN 80% OF \$325,000,000 DURING THE FIRST FIVE YEARS. FOLLOWING THE FIRST 15 MONTHS CASCADE AGREES TO REPAY TO RAYMOND JAMES 10% OF THE ABOVE TRANSITION ASSISTANCE FOR EACH 5% OF ASSETS THAT FALL BELOW THE MINIMUM ASSET LEVEL DURING THE 5 YEAR PERIOD. RECEIPT OF MONETARY ASSISTANCE IS CONSIDERED A CONFLICT OF INTEREST, DUE TO THE AFFILIATION OF HTFS AND CASCADE. TO MITIGATE THIS CONFLICT OF INTEREST, WE ARE PROVIDING YOU NOTICE IN THIS DISCLOSURE.

RAYMOND JAMES MAY ALSO BEAR THE COST OF AIRFARE, HOTEL AND MEALS FOR CASCADE & HTFS TO ATTEND RAYMOND JAMES CONFERENCES OR TO CONDUCT DUE DILIGENCE VISITS TO RAYMOND JAMES OFFICES. IN ADDITION, RAYMOND JAMES MAY, FROM TIME TO TIME, CONTRIBUTE TO THE COSTS INCURRED BY PARTICIPATING FIRMS SUCH AS CASCADE & HTFS IN CONNECTION WITH CONFERENCES OR OTHER CLIENT EVENTS CONDUCTED BY SUCH FIRMS AND THEIR REPRESENTATIVES.

CLIENTS ARE ADVISED, SHOULD A NEW ISSUE BOND BE PURCHASED IN THEIR MANAGED ACCOUNT, THE ADVISORY REPRESENTATIVE WILL RECEIVE A CONCESSION AS A RESULT OF THE PURCHASE. HOWEVER, THE ADVISORY REPRESENTATIVE DOES NOT IN ANYWAY MARK UP THE CONCESSION FEE. THE CONCESSION IS IN ADDITION TO ANY ADVISORY FEE RECEIVED BY THE ADVISORY REPRESENTATIVE AND IS NOT OFFSET AGAINST THE FEE. CLIENTS ARE ADVISED THIS IS A CONFLICT OF INTEREST FOR THE ADVISORY REPRESENTATIVE TO PURCHASE NEW ISSUE BONDS AS A RESULT OF THE POTENTIAL RECEIPT OF THE CONCESSION FEE.

#### **REFERRAL FEE PAYMENTS**

HTFS MAY FROM TIME TO TIME COMPENSATE, EITHER DIRECTLY OR INDIRECTLY, ANY PERSON (DEFINED AS A NATURAL PERSON OR A COMPANY) FOR CLIENT REFERRALS. HTFS IS AWARE OF THE SPECIAL CONSIDERATIONS PROMULGATED PURSUANT TO RULE 206(4)-3 UNDER THE INVESTMENT ADVISERS ACT OF 1940. AS SUCH, APPROPRIATE DISCLOSURE SHALL BE MADE TO CLIENTS REGARDING THE REFERRAL FEES PAID.

#### **CUSTODY**

HTFS DOES NOT MAINTAIN CUSTODY OF CLIENT SECURITIES OR FUNDS. CLIENTS RECEIVE ACCOUNT STATEMENTS DIRECTLY FROM THE RESPECTIVE CUSTODIAN, BANK OR BROKER-DEALER. THOUGH CLIENTS MAY RECEIVE STATEMENTS FROM HTFS, CLIENTS SHOULD ALWAYS COMPARE THE REPORTS WITH THE STATEMENTS PROVIDED BY THE RESPECTIVE CUSTODIAN. INCLUDED IN THE CLIENT SERVICES AGREEMENT WHICH EACH INVESTMENT ADVISORY CLIENT IS REQUIRED TO EXECUTE IS THE AUTHORIZATION FOR HTFS TO WITHDRAW ADVISORY FEES DIRECTLY FROM THE CLIENT ACCOUNT. AFTER THE WITHDRAWAL OF FEES FROM A CLIENT ACCOUNT HELD AT A CUSTODIAN BY HTFS, THE CLIENT SHALL RECEIVE A STATEMENT FROM CUSTODIAN INDICATING AMOUNT OF FEE WITHDRAWN.

#### **INVESTMENT DISCRETION**

HTFS ACCEPTS DISCRETIONARY AUTHORITY OVER THE ASSETS ITS MANAGES ON BEHALF OF ITS CLIENTS. ALL CLIENTS ARE REQUIRED TO EXECUTE A CLIENT SERVICES AGREEMENT WHICH GRANTS DISCRETION TO HTFS. THE CLIENT GRANTS HTFS LIMITED DISCRETION AS TO THE SECURITIES TO BE PURCHASED OR SOLD, THE QUANTITY OF SECURITIES TO BE PURCHASED OR SOLD AND THE PRICE TO BE PAID FOR ANY PURCHASE OR SALE. HTFS IS NOT AUTHORIZED TO WITHDRAW FUNDS FROM A CLIENT'S ACCOUNT EXCEPT FOR THE WITHDRAWAL OF MANAGEMENT FEES WHICH REQUIRE THAT THE CLIENT AUTHORIZE THE WITHDRAWAL THE CUSTODIAN WILL PROVIDE A STATEMENT TO THE CLIENT SHOWING THE AMOUNT OF FEES WITHDRAWN.

#### **VOTING CLIENT SECURITIES (PROXY)**

THIS IS A CONCISE OVERVIEW OF HTFS'S PROXY VOTING PROCESS. CLIENTS MAY OBTAIN A COMPLETE COPY OF HTFS'S WRITTEN POLICIES AND PROCEDURES UPON REQUEST. REQUESTS SHOULD BE IN WRITING AND CLEARLY STATE THE INFORMATION CLIENT IS REQUESTING. REQUESTS SHOULD BE MADE TO THE ADDRESS BELOW.

#### **CONFLICTS OF INTEREST**

HTFS TAKES ITS FIDUCIARY OBLIGATION SERIOUSLY AND SHALL VOTE ALL CLIENT SECURITIES IN THE BEST INTEREST OF THE CLIENT. ANY CONFLICTS OF INTEREST HTFS MAY HAVE WITH RESPECT TO VOTING CLIENTS' SECURITIES WILL BE FULLY DISCLOSED TO CLIENTS.

HTFS HAS THE FOLLOWING CONFLICTS OF INTERESTS TOWARD CERTAIN SECURITIES CLIENTS MAY HOLD IN THEIR PORTFOLIOS:

ADVISORY REPRESENTATIVES MAY RECEIVE A COMMISSION AND/OR ONGOING TRAIL COMPENSATION AS A RESULT OF CLIENT'S PURCHASING SECURITIES THROUGH ADVISORY REPRESENTATIVES. THEREFORE, HTFS WOULD HAVE A CONFLICT OF INTEREST TO VOTE IN FAVOR OR AGAINST ANY PROXY THAT WOULD AFFECT THE LEVEL OF COMPENSATION THAT MAY BE PAID. THIS WILL GENERALLY ONLY AFFECT SECURITIES INVOLVING MUTUAL FUNDS, VARIABLE PRODUCTS AND OTHER PACKAGE PRODUCTS. HTFS WILL EVALUATE PROPOSALS AND DETERMINE IF CLIENTS WILL BE ADVERSELY AFFECTED BY THE PROPOSAL. IF CLIENTS WILL BE AFFECTED IN AN ADVERSE MANNER, HTFS SHALL VOTE NO.

HTFS DOES NOT HAVE ANY OTHER CONFLICTS OF INTEREST THAT WOULD CAUSE HTFS TO NOT ACT IN THE BEST INTEREST OF ITS CLIENTS. HTFS IS NOT AFFILIATED NOR IS HTFS CONTROLLING OR CONTROLLED BY OR UNDER THE SAME CONTROL OF ANY OF THE COMPANIES FOR WHICH CLIENTS OWN SECURITIES.

#### **DISCLOSURE OF VOTING INFORMATION**

CLIENTS MAY CONTACT HTFS AT ANY TIME TO OBTAIN INFORMATION REGARDING HOW CLIENT'S SECURITIES WERE VOTED OR TO OBTAIN A COMPLETE COPY OF HTFS'S PROXY VOTING PROCEDURES. CLIENTS SHOULD SEND A WRITTEN REQUEST FOR INFORMATION ON HOW THEIR SECURITIES WERE VOTED AND/OR REQUEST FOR A COMPLETE COPY OF HTFS'S PROXY VOTING PROCEDURES TO THE ADDRESS BELOW.

#### **PROXY VOTING PROCESS**

HTFS WILL MONITOR THE RECEIPT OF ALL CLIENTS' PROXIES AND MAINTAIN A RECORD OF ALL PROXIES RECEIVED FOR EACH YEAR. HTFS WILL TAKE NOTE OF THE DEADLINE FOR CASTING VOTES FOR EACH PROXY. AS PROXIES AND INFORMATION EXPLAINING THE ISSUES PRESENTED FOR VOTE ARE RECEIVED, HTFS WILL EVALUATE THE ISSUES TO DETERMINE HOW TO VOTE. VOTES WILL BE CAST IN A WAY SO AS TO ACT IN THE BEST INTEREST OF THE CLIENT. ON CERTAIN OCCASIONS, HTFS MAY DETERMINE THAT TO NOT VOTE A PROXY WOULD BE IN THE BEST INTERESTS OF ITS CLIENTS. PROXIES WILL BE VOTED OR NOT VOTED CONSISTENTLY AMONG CLIENTS.

HTFS WILL GENERALLY USE THE FOLLOWING GUIDELINES IN DETERMINING HOW TO VOTE PROXIES.

- ISSUES RELATED TO EXECUTIVE COMPENSATION, INCENTIVE STOCK OPTIONS, EXECUTIVE RECRUITING OR ANY MATTER GIVING THE COMPANY LATITUDE IN COMPENSATION MATTERS OR SIMILAR MATTERS THAT COULD POTENTIALLY BE USED TO ACT IN THE COMPANY'S BEST INTEREST RATHER THAN CLIENTS' BEST INTEREST WILL TYPICALLY BE VOTED AGAINST. HTFS HAS NO SELF-INTEREST IN HOW PROXIES ARE VOTED.

- NEUTRAL ISSUES SUCH AS THE RETENTION OR APPOINTMENT OF ACCOUNTING OR AUDIT SERVICES ARE TYPICALLY VOTED YES. HOWEVER, SHOULD AN ACCOUNTING OR AUDIT FIRM BE SUBJECT TO INDUSTRY SCRUTINY, HTFS WILL EVALUATE THE POTENTIAL ALLEGATIONS OR REASONS FOR SECURITIZATION AND DETERMINE WHETHER IT WOULD BE IN CLIENTS' BEST INTEREST TO VOTE NO. HTFS HAS NOT RELATIONSHIP WITH ANY PARTICULAR ACCOUNTING OR AUDIT FIRM USED BY THE COMPANIES OF WHOM CLIENTS MAY HOLD SECURITIES.
- HTFS'S VOTING DECISION WILL BE BASED ON ITS UNDERSTANDING OF THE ISSUES, BELIEF THAT CLIENTS WILL NOT BE ADVERSELY AFFECTED BY THE ISSUE, AND THE ISSUE IF PASSED OR DECLINED UPON WILL NOT BE SELF SERVING ONLY TO THE COMPANY.
- HTFS WILL TYPICALLY VOTE WITH THE BOARD'S RECOMMENDATIONS UNLESS VOTING ACCORDING TO THE BOARD'S RECOMMENDATIONS COULD ADVERSELY AFFECT CLIENTS.
- HTFS WILL VOTE AGAINST ANY MATTERS THAT MAY AFFECT SUBSTANTIALLY THE RIGHTS OR PRIVILEGES OF THE HOLDERS OF SECURITIES TO BE VOTED.
- HTFS WILL VOTE FOR SOCIAL AND CORPORATE RESPONSIBILITY ISSUES.

TYPICALLY, HTFS WILL VOTE PROXIES AS THEY ARE RECEIVED AND MAKE EVERY ATTEMPT TO VOTE THE PROXIES BY THE DEADLINE NOTED ON THE PROXY. UPON HTFS CASTING ALL ITS VOTES, EVIDENCE THAT THE PROXIES WERE VOTED AND HOW EACH PROXY WAS VOTED WILL BE MAINTAINED IN HTFS'S OFFICE. ALL CLIENT INFORMATION IS CONFIDENTIAL.

FOR ADDITIONAL INFORMATION PLEASE CONTACT:

**HOLMES & TURNER FINANCIAL SERVICES, INC.  
COMPLIANCE DEPARTMENT  
950 17<sup>TH</sup> STREET, SUITE 950  
DENVER, CO 80202**

### **FINANCIAL INFORMATION**

HTFS DOES NOT COLLECT MORE THAN \$1200 IN FEES PER CLIENT SIX MONTHS OR MORE IN ADVANCE.

## BROCHURE SUPPLEMENT

David J. Turner  
Cascade Financial Management, Inc.  
950 17th Street, Suite 950  
Denver, CO 80202  
(303) 292-1121

June 30, 2011

This Brochure Supplement provides information about David J. Turner that supplements the Cascade Disclosure Brochure. You should have received a copy of that Brochure. Please contact John Van Sant, President at (303) 292-1121 or [jvansant@cascade-inc.com](mailto:jvansant@cascade-inc.com) if you did not receive Cascade Disclosure Brochure or if you have any questions about the contents of this supplement.

Additional information about David J. Turner is available on SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

### EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

David J. Turner was born in 1964. He attended Montana State University from 1982-1985 and Regis University from 1989-1992, majoring in Finance.

#### Employment Background

Employment Dates:	2002 - Present
Firm Name:	Cascade Financial Management, Inc.
Type of Business:	Investment Advisor
Job Title & Duties:	CEO and Investment Executive

Employment Dates:	1998 - 2002
Firm Name:	Cascade Investment Group
Type of Business:	Investment Advisor
Job Title & Duties:	Investment Executive

Employment Dates:	2002 - Present
Firm Name:	Cascade Financial Management, Inc.
Type of Business:	Investment Advisor
Job Title & Duties:	CEO and Investment Executive

Employment Dates:	1992 - 1998
Firm Name:	Piper Jaffray
Type of Business:	Investment Advisor
Job Title & Duties:	Investment Executive

#### DISCIPLINARY INFORMATION

Registered investment advisors are required to disclose any material facts regarding any legal or disciplinary actions that would be material to your evaluation of each investment advisor representative providing investment advice to you. There is no information of this type to report.

#### OTHER BUSINESS ACTIVITIES

Holmes and Turner Financial Services - Investment Advisory Services offered through and supervised by Cascade Financial Management

Hanson Financial - Investment Advisory Services offered through and supervised by Cascade Financial Management  
RDE Ranches - Farm/Ranch Operation

#### ADDITIONAL COMPENSATION

Mr. Turner does not receive any economic benefit from any non-client for providing advisory services.

#### SUPERVISION

Tim Kenkel, Chief Compliance Officer, is responsible for compliance matters at Cascade Financial Management, Inc. His telephone number is (303) 292-1121.

## BROCHURE SUPPLEMENT

John Van Sant  
Cascade Financial Management, Inc.  
950 17th Street, Suite 950  
Denver, CO 80202  
(303) 292-1121

9/15/2017

This Brochure Supplement provides information about John Van Sant that supplements the Cascade Disclosure Brochure. You should have received a copy of that Brochure. Please contact Tim Kenkel, Chief Compliance Officer at (303) 292-1121 or [tkenkel@cascade-inc.com](mailto:tkenkel@cascade-inc.com) if you did not receive Cascade Disclosure Brochure or if you have any questions about the contents of this supplement.

Additional information about John Van Sant is available on SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

### EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

John Van Sant was born in 1982. He graduated from Johnson and Wales University in Denver, Colorado in 2005, majoring in Allied Health.

#### Employment Background

Employment Dates:	2005 - Present
Firm Name:	Cascade Financial Management, Inc.
Type of Business:	Investment Advisory Firm
Job Title & Duties:	Investment Advisor / President

Employment Dates:	2001 - 2004
Firm Name:	Primerica Financial Services
Type of Business:	Investment Advisory Firm
Job Title & Duties:	Sales

### DISCIPLINARY INFORMATION

Registered investment advisors are required to disclose any material facts regarding any legal or disciplinary actions that would be material to your evaluation of each investment advisor representative providing investment advice to you. There is no information of this type to report.

### OTHER BUSINESS ACTIVITIES

Mr. Van Sant is not involved in any other business activities.

### ADDITIONAL COMPENSATION

Mr. Van Sant does not receive any economic benefit from any non-client for providing advisory services.

#### SUPERVISION

Tim Kenkel, Chief Compliance Officer, is responsible for compliance matters at Cascade Financial Management, Inc. His telephone number is (303) 292-1121.