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Form ADV Part 2A
Firm Brochure

April 27, 2020

This brochure provides information about the qualifications and business practices of Elios Financial Group, Inc. If you have any questions about the contents of this brochure, please contact us at (440) 617-9100. 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.

Elios Financial Group, Inc. is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about Elios Financial Group, Inc. is available on the SEC's website www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Elios Financial Group, Inc. CRD number is 119873.

Item 1 - Material Changes

No material changes have been made since our last annual update on March 25, 2019.

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Item 3 – Advisory Business

OWNERSHIP/ADVISORY HISTORY

Elios Financial Group, Inc. (EFG) is an Ohio Corporation established on July 18, 1994. EFG was registered as an Ohio investment adviser on January 3, 1997. We subsequently registered with the Securities and Exchange Commission (SEC) on August 10, 2018. James T. Elios is our sole principal and owner. He is also Founder, President and CEO of the Company. He is also the Chief Compliance Officer. Additional information about Mr. Elios can be found in the supplemental brochure, ADV Part 2B (under separate brochure).

ADVISORY SERVICES OFFERED

We specialize in the following types of services: Financial Planning, Financial Consulting, Wealth Management, Investment Management, and referrals to Third-Party Money Managers. All material conflicts of interest are disclosed regarding the investment adviser, its representatives, or employees, which could be reasonably expected to impair the rendering of unbiased objective advice.

FINANCIAL PLANNING, FINANCIAL CONSULTING AND WEALTH MANAGEMENT SERVICES

We provide a variety of financial planning and consulting services to individuals, families, and other clients regarding the management of their financial resources based upon an analysis of client's current situation, goals, and objectives. Generally, such financial planning services will involve preparing a financial plan or rendering a financial consultation for clients based on the client's financial goals and objectives. This planning or consulting may encompass one or more of the following areas: Personal Financial Planning, Investment Planning, Retirement and Income Planning, Estate Planning, Charitable Planning, Education Planning, Personal Tax Planning, and Insurance Analysis.

We offer wealth management services that consist of ongoing financial advice that is tailored to meet each clients' specific needs and investment objectives. If you retain our firm for wealth management services, we will meet with you to determine your investment objectives, risk tolerance, and other relevant information (the "suitability information") at the beginning of our advisory relationship. We will use the suitability information we gather to develop a strategy that enables our firm to give you investment recommendations consistent with your financial goals. Our wealth management services may include, but are not limited to, the following components:

ENVISION Financial Plan

Our ENVISION (Advanced) Financial Plan package includes a combination of features and services designed to create exceptional value. This package will include a comprehensive financial plan with recommendations and analysis of asset allocation, retirement planning, college funding, and investments. Typical areas of focus may be cash flow management and forecasting, portfolio risk profiling, real estate strategies, tax planning or estate concerns. A client may also receive access to a personal planning and account aggregation website to organize and track all of a client's accounts as well as a printed plan presented in a binder for personal use. One of the important differences is that we make our client's financial plan central to our process. We create a plan for

each Financial Planning client that is dynamic and designed to grow and evolve as a representation of the clients' most current financial position. Each plan is a combination of the client's assets, liabilities, risk tolerance, goals, objectives, time horizons, and financial attitudes.

Comprehensive Financial Plan

The Comprehensive Plan is the backbone of a client's long-term financial planning process. This plan is an objective evaluation and assessment of a focused area of the client's finances. The process begins with a general snapshot of the client's financial situation. We then help clarify the client's main area of concern and provide the resources to develop a general assessment of his/her situation with potential options to achieve improvements.

Financial Assessment

A Financial Assessment is an objective analysis and assessment of a focused area of concern. Areas of assessment include asset allocation, retirement planning, college funding, and investments.

Second Opinion

The Second Opinion (similar to asking for a second physician's opinion) service is designed to provide an objective, no-obligation evaluation of a clients' current portfolio or other advisors recommendations, the client's existing plan, a financial product or a specific financial situation.

INVESTMENT AND PORTFOLIO MANAGEMENT SERVICES

We offer discretionary portfolio management services to clients that consist of giving continuous advice to the client about the investment of funds based on the client's individual needs and objectives. The asset allocation of the client's assets will be structured to follow the recommended asset allocation model within their financial plan. In the case where a financial plan has not yet been constructed, the recommended asset allocation will be determined from an in-depth profile and interview with the client regarding their goals, current financial condition, timeline, risk tolerance, along with other financial suitability information. Once we construct an investment portfolio for you, we will monitor your portfolio's performance on an ongoing basis and will rebalance the portfolio as required by changes in market conditions and in your financial circumstances.

If you engage our firm for discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. This discretionary authority will also provide our firm with authorization to delegate discretionary investment management services to other unaffiliated Third-Party Money Managers selected by our firm based on your investment objectives and portfolio strategy. Discretionary authority is granted by the advisory agreement you sign with our firm and the appropriate trading authorization forms. In our sole discretion, we may accept instructions from you that limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold in your account). Such requests must be presented to our firm in writing. To the extent we engage a Third-Party Money

Manager to assist us with managing your account on a discretionary basis, we will regularly monitor the performance of your accounts.

We emphasize continuous and ongoing account supervision. As part of our investment management service, we generally create a portfolio, consisting of individual stocks or bonds, exchange traded funds ("ETFs"), no-load and/or institutional mutual funds and other public and private securities as core investments. The client's individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet the client's investment goal; together with the client we determine what is suitable with respect to many factors including risk assessment, time horizon, need for liquidity etc. to the his or her circumstances. Once the portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based on the client's individual needs, stated goals and objectives. Each client can place reasonable restrictions on the types of investment to be held in the portfolio.

When appropriate and if needed, we may use a Third Party Money Manager where we select an investment portfolio and provide ongoing corresponding asset management services on a fee-only basis for a percentage of assets in conjunction with another investment advisory firm. Before selecting other advisers, we will perform due diligence and make sure that the other advisers are properly licensed or registered and have a demonstrated track record or success.

WRAP PROGRAM

We are a portfolio manager and a sponsor of a Wrap Fee Program, which is a type of investment program where clients pay a single fee that includes management fees and certain other brokerage costs. If you participate in our Wrap Fee Program, you will pay our firm a single fee, which includes our money management fees and certain transaction and trading costs. We receive a portion of the wrap fee for our services. The overall cost you will incur if you participate in our Wrap Fee Program may be higher or lower than you might incur by separately purchasing the types of securities available in the program. For more information concerning the Wrap Fee Program, *please see our firm's Wrap Fee Disclosure Brochure (Form ADV Part 2A Appendix 1).*

CLIENT ASSETS MANAGED

As of December 31, 2019, we manage \$128,819,053 in client assets on a discretionary basis and \$20,850,976 on a non-discretionary basis.

Item 4 – Fees and Compensation

FINANCIAL PLANNING, FINANCIAL CONSULTING AND WEALTH MANAGEMENT SERVICES

We charge an hourly or fixed fee for these services. The total estimated fee, as well as the ultimate fee, is based on the scope and complexity of our engagement with the client. Our hourly fee ranges from \$100 to \$300. Our fixed fee generally ranges between \$1,500 and \$3,000. The hourly and fixed fees are negotiable.

We require a retainer of fifty-percent (50%) of the ultimate fee with the remainder of the fee directly billed to the client and due to us within thirty (30) days of the financial plan, financial consulting or wealth management service being delivered or rendered to the client.

The client may cancel the financial planning and consulting service agreement for any reason during the first five (5) business days from the date of signing the agreement and he or she will receive a refund of 100% of all prepaid fees. To cancel the agreement, a client must notify us and return any materials received to that date. After the first five (5) business days, the client may cancel the agreement by giving ten (10) days written notice to Elios Financial Group, Inc., 30700 Center Ridge Road, Westlake, OH 44145. After five (5) business days if a client cancels, any prepaid fixed fees will be refunded on a pro-rated basis based upon a percentage of work completed and any prepaid hourly fees will be refunded base on the number of hours completed.

INVESTMENT AND PORTFOLIO MANAGEMENT SERVICES

We asses an investment management fee based on a percentage of assets under management in the client's account. The annual management fee is based on the following fee schedule:

Custodian Reported Account Value	Annual Investment Management Fee
First \$100,000	2.00%
Next \$150,000	1.50%
Next \$250,000	1.00%
Next \$1,500,000	0.75%
Next \$3,000,000	0.50%
Above \$5,000,000	Negotiable

Our investment management fee is billed quarterly, in advance, meaning we collect the investment management fee at the beginning of the quarter. The investment management fee will be based on the custodian reported account value as of the last business day of the previous quarter. Cash balances and investments in money market funds are counted toward the account value and are included in the investment management fee calculations. Certain clients may be billed based on previous retired investment management (legacy) fee schedules.

The investment management fee is tiered. A tiered investment management fee means the applicable rate will be applied to the custodian reported value in each appropriate range of account value. For example, an account with a quarter end value of \$200,000 will be charged 2.00% on the first \$100,000 and 1.50% on the remaining \$100,000.

In addition to our investment management fee, the client pays an annual program fee of 0.25%. The program fee is waivable at our discretion.

The client will be asked to authorize us with to instruct the custodian to deduct our management fee directly from the account. The client may terminate this authorization at any time. As part of this process, the client understands and acknowledges the following:

1. The custodian selected to open investment accounts (i.e. TD Ameritrade Institutional) sends statements at least quarterly to client showing all disbursements for his/her account, including the amount of the advisory fees paid to us.
2. The client provides written authorization permitting us to be directly paid by these terms.
3. We provide the client with a statement which will reflect the advisory fee billed through the independent custodian.
4. Our statements will include a legend which urges the client to compare information provided in the statements with those from the independent custodian in account opening notices and subsequent statements sent to the client for whom the adviser opens custodial accounts with the qualified custodian.

Clients may incur certain other charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds, index funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive, of and in addition to, our fee and we will not receive any portion of these commissions, fees, and costs. For more information about our brokerage practice please see Item 11.

The client may terminate the Investment Advisory Agreement (IAA) for any reason at any time and, within the first five (5) business days after signing the contract, without any cost or penalty. Thereafter, the contract may be terminated at any time by giving ten (10) days written notice. Upon written notice of termination, the management fee will be prorated and refunded based upon the number of days that services were rendered after the account's valuation date. Please note the prorated refund may be adjusted for additional deposits and withdraws to the advisory account within the termination quarter. If permitted by the client's custodian, the refund will be deposited into the client's account; otherwise, the refund will be paid to the client by company check directly to the client within 30 days of the termination notice receipt.

SECURITIES COMPENSATION THROUGH BROKER-DEALER

Our owner and associates are registered representatives of independent broker-dealer Private Client Services, LLC, member FINRA/SIPC. Through this affiliation, they may engage in non-advisory brokerage business and accept compensation for the sale of securities or other investment products, including distribution or service ("trail") fees from the sale of mutual funds or variable annuities. Clients should be aware that the practice of accepting commissions for the sale of securities presents a conflict of interest that gives our firm and representatives an incentive to recommend investment products based on the compensation receives, rather than on the client's needs. We attempt to mitigate the conflict of interest by explaining to the client that commissionable securities sales create an incentive to recommend products based on

compensation we and/or our representatives may earn and may not necessarily be in the best interest of the client. We also inform clients when recommending mutual funds that “no-load” funds are available through our firm if the client wishes to become an investment advisory client. Clients are always free to purchase investment products recommended by us through other brokers or agents that are not affiliated with us.

Item 5 – Performance-Based Fees and Side by Side Management

We do not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client) or provide side by side management.

Item 6 – Types of Clients

We offer our services to individuals, families, pension and profit-sharing plans, trusts, estates, charitable organizations and corporations or other business. We do not require a minimum account balance. However, Third-Party Advisers may have a minimum account size. Please refer to the Third-Party’s Form ADV Part 2A for details.

Item 7 – Methods of Analysis, Investment Strategies and Risk of Loss

METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

We use various methods of analysis to help us manage client investment account(s). These may include one or more of the following:

Asset Allocation- is an investment strategy that aims to balance risk and reward by apportioning a portfolio’s assets according to an individual’s goals, risk tolerance and investment horizon. The asset classes typically include equities, fixed-income, international, and cash and equivalents. The risk associated with asset allocation is that each class has different levels of risk and return, so each will behave differently over time. There is no guarantee that diversification among asset classes will grow a portfolio.

Fundamental Analysis- is a technique that attempts to determine a security’s value by focusing on underlying factors that affect a company’s *actual* business and its’ prospects. The analysis is performed on historical and present data. On a broader scope, one can perform fundamental analysis on industries or the macro economy. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements. The risk associated with fundamental analysis is that despite that appearance that a security is undervalued, it may not rise in value as predicted.

Modern Portfolio Theory- proposes that investing in a predetermined asset mix derived from the efficient frontier (dictated to achieve a specific client objective within a certain risk tolerance) and rebalancing with discipline, the portfolio is diversified across the various asset classes to mitigate unnecessary risk. This also provides for a portfolio that can operate without reliance on market timing and security selection; however, as with all equity investments positive returns are not guaranteed. In conjunction to investing in a diversified portfolio, each portfolio is constructed to meet specific parameters set forth in the individual client’s investment policy statement and/or other documents. These parameters can include - but are not limited to - tax efficiency, concentrated stock positions and management history. Once again, the risk associated

with a diversified portfolio is that each class has different levels of risk and return, so each will behave differently over time and despite being diversified there is no guarantee that an account will grow.

Technical Analysis- is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. The risk associated with technical analysis is that there is no broad consensus among technical traders on the best method of identifying future price movements.

We use various investment strategies when managing client investment accounts. These may include one or more of the following:

Long-Term Purchases- We purchase securities with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year. The risk associated with using a long-term purchase strategy is that it generally assumes the financial markets will go up in the long-term, which may not be the case. There is also the risk that the segment of the market that the client is invested in or perhaps just that client's particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

Short-Term Purchases- We purchase certain securities with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. The risk associated with using a short-term purchase strategy is that it generally assumes that we can predict how financial markets will perform in the short-term, which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

Periodic Rebalancing- Rebalancing is the process of realigning the weighting of a portfolio of assets. Rebalancing involves periodically buying or selling assets in a portfolio to maintain an original desired level of asset allocation. Unless otherwise negotiated with the client, we rebalance client accounts on a quarterly basis. The risk associated with rebalancing is that an account may miss out on the full upside of asset allocation because of the realigning of the account's assets.

INVESTMENT RISKS

All investments bear different types and degrees of risk and **investing in securities involves risk of loss that clients should be prepared to bear**. While we use investment strategies that are designed to provide appropriate investment diversification, but some investments have significantly greater risks than others. Obtaining higher rates of return on investments entails accepting higher levels of risk. Recommended investment strategies seek to balance risks and rewards to achieve investment objectives. The client should feel free to ask questions about risks that he or she does not understand; we would be pleased to discuss them.

RECOMMENDED SECURITIES AND RISKS

We use several types of securities in client portfolios including, but not limited to, exchange traded funds (ETFs), mutual funds and stocks. Some of the risks associated with these securities include:

- **Credit Risk:** This is the risk that an issuer of a bond could suffer an adverse change in financial condition that results in a payment default, security downgrade, or inability to meet a financial obligation.
- **Exchange-Traded Funds (ETFs):** ETFs are typically investment companies that are legally classified as open-end mutual funds or UITs, however, they differ from traditional mutual funds because ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the “spread.” The spread varies over time based on the ETF’s trading volume and market liquidity and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as investment companies under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, including those that invest in commodities, are not registered as investment companies.
- **Inflation Risk:** This is the risk that inflation will undermine the performance of an investment and/or the future purchasing power of a client’s assets.
- **Interest Rate Risk:** The chance that bond prices overall will decline because of rising interest rates. Interest rate risk will vary for the Firm, depending on the amount of client assets invested in bonds.
- **International Investing Risk:** Investing in the securities of non-U.S. companies involves special risks not typically associated with investing in U.S. companies. Foreign securities tend to be more volatile and less liquid than investments in U.S. securities, and may lose value because of adverse political, social or economic developments overseas or due to changes in the exchange rates between foreign currencies and the U.S. dollar. In addition, foreign investments are subject to settlement practices, as well as regulatory and financial reporting standards, that differ from those of the U.S.
- **Manager Risk:** The chance that the proportions allocated to the various securities will cause the client’s account to underperform relevant to benchmarks or other accounts with a similar investment objective.
- **Portfolio Concentration:** Accounts that are not diversified among a wide range of types of securities, countries or industry sectors may have more volatility and are considered to have more risk than accounts that are invested in a greater number of securities because changes in the value of a single security may have more of a significant effect, either negative or positive. Accordingly, portfolios are subject to more rapid changes in value than would be the case if the client maintained a more diversified portfolio.

- **Stock Market Risk:** The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices.

Item 8 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. We do not have information applicable to this item.

Item 9 – Other Financial Industry Activities and Affiliations

BROKER DEALER AFFILIATION

As described under Item 5.E, above, our owner and associates are registered representatives of broker-dealer Private Client Services, LLC. Please see above for additional details about the relationship and any conflicts of interest.

FUTURES/COMMODITIES FIRM AFFILIATION

We are not affiliated with a futures or commodities broker.

OTHER INDUSTRY AFFILIATIONS

Our owner and associates may be licensed insurance agents and appointed with various insurance companies. They may recommend insurance products to the firm's clients. This service pays them commissions that are separate from the investment adviser fees outlined in Item 5 above. This is a conflict of interest because it creates a financial incentive to recommend insurance products. However, they attempt to mitigate any conflicts of interest to the best of their ability by placing the client's interests ahead of their own and through the implementation of policies and procedures that address the conflict. Additionally, the client is informed that he or she always has the right to choose whether to act on the recommendation and he or she has the right to purchase recommended insurance through any licensed insurance agent.

RECOMMENDATION OF THIRD-PARTY INVESTMENT ADVISER

We may recommend the services of third-party investment advisers. This information can be found under Items 4 and 5. We will ensure that the Third-Party Adviser is properly registered or exempt from registration in the client's state of residence prior to making any recommendation. We receive a portion of the Third-Party Adviser's management fee, which creates a financial incentive to recommend Third Party Advisers that pay a higher percentage of the management fee. We attempt to mitigate the conflict of interest to best of our ability by placing the client's interest ahead of our own, through our fiduciary duty and by following our Code of Ethics that establishes ideals for ethical conduct.

Item 10 – Code of Ethics, Participation or Interest in Client Transaction and Personal Trading

DESCRIPTION

Our Code of Ethics establishes ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Our Code of Ethics covers all supervised persons and it describes our high standard of business conduct and fiduciary duty to our clients. The Code of Ethics includes, among other things, provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition on rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All supervised persons must acknowledge the terms of the Code of Ethics annually or as amended.

MATERIAL INTEREST IN SECURITIES

We do not have a material interest in any securities.

INVESTING IN OR RECOMMENDING THE SAME SECURITIES

Our owner may buy or sell for his own accounts the same securities at or about the same time that they recommend those securities to clients or purchase them for client accounts. A conflict of interest may exist because they can trade ahead of client accounts. We mitigate any conflicts of interest in two ways. First, our Code of Ethics requires employees to report personal securities transactions on at least a quarterly basis and provide us with a detailed summary of certain holdings (both initially upon commencement of employment and quarterly thereafter) in which employees have a direct or indirect beneficial interest. The reports are reviewed to ensure we do not trade ahead of client accounts. Second, we require client transactions be placed ahead of our associates' personal trades or our associates can place personal trades as part of a block trade (Please see Item 11 for details on our block trading practices). The records of all associates' personal and client trading activities are reviewed and made available to regulators to review on the premises.

Item 11 – Brokerage Practices

RECOMMENDATION CRITERIA

We have an arrangement with TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade"), Member FINRA/SIPC through which TD Ameritrade provides our clients with custodian services. Through TD Ameritrade, we participate in the TD Ameritrade Institutional program. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions. We receive some benefits from TD Ameritrade through our participation in the TD Ameritrade Institutional program.

BROKERAGE FOR CLIENT REFERRALS

We do not receive client referrals from any broker-dealer or custodian.

DIRECTED BROKERAGE

Some clients may direct us to use a specific broker-dealer to execute securities transactions for their accounts. When so directed, we may not be able to effectively achieve best execution on client's transactions.

TRADE AGGREGATION

We will have the authority to aggregate or block client orders placed with the same custodian. To the extent any aggregated or block orders are placed, we will cause those orders to be affected through an average price account or similar account such that each account at the same custodian participating in the order shares in the securities purchased or sold, price, and transaction costs pro rata (unless pro rata would be unfair under the circumstances). As a result, the average price account will allocate proportionate shares to each client's account. It will also provide clients with an average price for the securities transaction or transactions, which could reduce the transaction costs for the client.

Item 12 – Review of Accounts

PERIODIC REVIEWS

We review accounts on at least a quarterly basis for our Investment Management and Third-Party Money Management clients. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Only our Financial Advisors or Portfolio Managers will conduct reviews.

We review our client's financial plans annually with the calendar triggering the review. The client's representative will conduct the review.

OTHER REVIEWS

Additional reviews are conducted on demand by the client or periodically depending on market conditions, economic or political events, or by changes in a client's financial situation (such as retirement, termination of employment, physical move or inheritance).

REPORTS

Our Portfolio Management clients receive at least quarterly account statements from their custodian. Third-Party money manager clients will receive at least quarterly account statements from the Third-Party Investment Adviser or the custodian of their account. We urge clients to carefully review such statements. Financial planning clients receive a list of recommendation upon the completion of the financial planning process.

Item 13 – Client Referrals and Other Compensation

OTHER COMPENSATION

As disclosed in Item 12, above, we participate in TD Ameritrade's Institutional program and we recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between our participation in the program and the investment adviser, although we receive economic benefits through our participation in the program that are typically not available to TD Ameritrade retail investors. These benefits also 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 us by third party vendors.

TD Ameritrade may also have paid for business consulting and professional services received by our related persons. Some of the products and services made available by TD Ameritrade through the program may benefit us but may not benefit our clients. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop its' business enterprise.

The benefits received by us or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duty to clients, we always endeavor to put the interests of our clients first. Client should be aware, however, that the receipt of economic benefits by us or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

CLIENT REFERRALS

We may offer our portfolios to other independent registered investment advisers pursuant to third-party management or solicitor agreements. When registered investment advisers use our portfolios, they receive a portion of our annual management fee, but not a portion of the program fee. The registered investment advisers will likely share a portion of the fees with their own representatives. It is important to note that the annual management fee is determined by our fee schedule. The registered advisers' portion is deducted from the management fee, not added to it.

We are aware of the special considerations promulgated pursuant to SEC Rule 206(4)-3 of the Investment Adviser Act of 1940 (the "Act"). As such, appropriate disclosures describing the terms and fee arrangements between the us and a solicitor will be made to our clients, all required written records will be maintained, and all applicable laws and regulations will be observed. A Solicitor's Disclosure Document will be provided to each client, as required under the Act, and

we will retain the clients signed acknowledgement of receiving the Adviser's Form ADV Part 2A and the Solicitors Disclosure Document.

Item 14 – Custody

All client funds, securities and accounts are held at a qualified custodian. We do not take possession of a client's securities. However, the client will be asked to authorize us with the ability to instruct the account's custodian to deduct our management fee directly from the client's account. The client may terminate this authorization at any time. The client will receive at least a quarterly account statement from the qualified custodian that holds the client's assets. We urge each client to carefully review the account statement.

Pursuant to Rule 206(4)-2 of the Advisers Act, Elios Financial 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 Elios Financial client account assets will be maintained with an independent qualified custodian. Elios Financial is also deemed to have custody of clients' funds or securities when clients have standing authorizations with their custodian to move money from a client's account to a third-party ("SLOA") and under that SLOA authorize Elios Financial to designate the amount or timing of transfers with the custodian. The SEC has set forth a set of standards intended to protect client assets in such situations, which Elios Financial follows.

Item 15 – Investment Discretion

We offer discretionary investment management services. The client grants us discretionary power over his or her account when the investment management agreement is signed. Our investment management agreement contains a limited power of attorney that allows us to select the securities to be bought and sold, the amount of securities to be bought and sold, and time they can be bought and sold. It allows us to place each trade without the client's prior approval. In addition to our investment management agreement, the client's custodian may request the client sign the custodian's limited power of attorney form. This varies with each custodian. We will discuss all limited powers of attorney prior to their execution. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the client's account, and any other investment policies, limitation or restrictions.

Item 16 – Voting Client Securities

We may accept authority to vote proxy solicitations for client securities. Clients can retain the right to vote all proxies that are solicited for securities held in the account. Clients may receive proxies or other solicitations from the custodian. If clients have questions regarding the solicitation, they should contact us or the contact person that the issuer identifies in the proxy materials. In addition, we do not accept authority to act with respect to legal proceedings relating to securities held in the account.

Item 17 – Financial Information

BALANCE SHEET

At no time will fees of more than \$1200 be charged six or more months in advance. As such, a balance sheet is not required to be provided at this time.

FINANCIAL CONDITION

We are required in this Item to provide clients with certain financial information or disclosures about our financial condition if we have a financial commitment that impairs our ability to service clients. We do not have a financial commitment that impairs our ability to service clients.

BANKRUPTCY

We have never been the subject of a bankruptcy proceeding.