

### Item 1. Introduction

Hayes Financial, Inc. ("Hayes Financial" "we" "us" and "Advisor") is a California corporation registered as an investment advisor under the laws of the Securities and Exchange Commission. Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### Item 2. Relationships and Services

#### **What investment services and advice can you provide me?**

Hayes Financial provides investment advisory and financial planning services.

We employ a 7-step investment process, ensuring that prior to investment of any Client monies, a deep and thorough understanding is gained of each Client's entire financial picture. We discuss budget, income and withdraw expectations prior to the recommendation or deployment of portfolio strategies. After our team is confident in its understanding of the Client's circumstances, we recommend separate allocation strategies for qualified and non-qualified monies. These allocations are constructed using cash flow/withdraw expectations and then modern-portfolio theory and current economic expectations. Integrating investments across all individual retirement accounts, taxable accounts, and employee retirement accounts is crucial to the process. After Client assets are invested, the firm monitors their investments and provides advice related to ongoing financial and investment needs. The firm's objective is to always puts its Clients' interests first.

Advice and services are tailored to the stated objectives of the Client(s). The firm discusses with the Client in detail critically important information, such as the Client's risk tolerance, time horizon, and projected future needs, to formulate a strategy. This strategy guides the firm in objectively and suitably managing the Client's account. A registered investment advisor representative of the firm will meet with Clients on an as needed basis to review portfolio performance, discuss current issues, and re-assess goals and plans.

In certain instances, Advisor's services will include or be limited to the monitoring and reporting of the performance

of certain investments in Client's Account. These assets would be considered "non-discretionary."

In all other cases, Hayes Financial has "discretionary" authority over Client funds. Discretionary authority means that the firm has the authority to determine, without obtaining specific Client consent, the securities bought or sold and the amount of securities bought or sold. The only restrictions on the above discretionary authority are those set by the Client on a case by case basis.

Hayes Financial has no minimum account size for opening or maintaining an account.

**Conversation Starters:** We encourage you to ask our financial professionals these key questions about our investment services and accounts:

- (i) *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- (ii) *How will you choose investments to recommend to me?*
- (iii) *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

### Item 3. Fees, Costs, Conflicts, and Standard of Conduct

#### **What fees will I pay?**

We provide investment management services for a fee based on a percentage of assets under management. Our fee is provided in your Investment Advisory Agreement based upon a tiered schedule from 1.0% to 1.25%. Fees are generally not negotiable. The fee is calculated quarterly, in advance, and will be equal to the respective percentage per annum based on the market value of the Client's account(s) based upon average of three monthly balances across the quarter. Advisory Services provided to College Savings Accounts (529 Accounts) will be charged separately a fee of 0.50% of the assets held in the account.

Clients elect to be enrolled in Hayes Financial's wrap fee program. For wrap fee program Clients, Hayes Financial will pay all Client transaction and ticket charges for the purchase of Mutual Funds, ETFs and individual equities. Both wrap and non-wrap fee Clients are subject to the same fee schedule, however, clients that are enrolled in the wrap fee program will generally pay less for their advisory services because

wrap fee program clients will not pay certain transaction fees.

The more assets you have in the advisory account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our fees. You pay our fee quarterly regardless of whether we buy or sell securities within that quarter. For any Clients not enrolled in our Wrap Fee Program, Clients will pay brokerage transaction costs and other charges directly to the custodian. All clients may be required to pay, in addition to Hayes Financial's fee, a proportionate share of any Exchange Traded Fund's (ETF) or mutual fund's fees and charges.

***You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.***

***Conversation Starter:*** We encourage you to ask us any questions you may have regarding our fees or how cost from third parties such as custodians or mutual funds affect your account. For example, start a conversation by asking, *"Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?"*

**What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

*When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means:*

Example 1: Your account value goes up, and while the management fee percentage may stay the same, the total compensation you pay us goes up proportionately. Example 2: Your account value goes down, but you still must pay a management fee proportional to your assets under management.

***Conversation Starter:*** If you have any questions regarding conflicts of interests, please feel free to ask us. You can begin a conversation by asking, *"How might your conflicts of interest affect me, and how will you address them?"*

**How do your financial professionals make money?**

Hayes Financial is a fee-only registered investment advisor, which means our only form of compensation is from investment management fees paid directly from our clients.

We do not earn any commissions or any other payments from anyone else.

All of our financial professionals, including the firm's 100% owner and principal, are paid to deploy the firm's 7 step investment process in ensuring excellent and holistic financial advisory work. No additional incentives, compensation or bonuses are paid for the recommendation of one financial vehicle or another. All clients receive the firm's recommended funds and or positions regardless of the tier of fees in which their AUM falls. Regardless of complexity or simplicity of a client's circumstance, the advisors are paid the same amount of monies as collected by the firm's overall advisory fees.

More detailed information, including fee schedules and conflicts and disclosures are available in our ADV Part 2A Firm Brochure and Appendix 1 Wrap Fee Program Brochure, which is available at: <https://adviserinfo.sec.gov/>.

#### **Item 4. Disciplinary History**

**Do you or your financial professionals have legal or disciplinary history?**

No. We have no legal or disciplinary actions in our history as a registered investment advisor. We encourage you to visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research any of our financial professionals. ***Conversation Starter:*** In addition, feel free to ask: *"As a financial professional, do you have any disciplinary history? For what type of conduct?"*

#### **Item 5. Additional Information**

***You can find additional information regarding Hayes Financial and receive a copy of this relationship summary by visiting our website at <https://hfinancial.com/> or by contacting (408) 947-7321.***

We are always available to answer any of your questions. ***Conversation Starter:*** If you do have any concerns, please let us know by asking the following questions: *"Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?"*

## HAYES FINANCIAL, INC.

### NOTICE OF PRIVACY PRACTICES

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Hayes Financial, Inc., an investment advisory firm, is committed to safeguarding the confidential information of its clients. We do collect nonpublic personal information in order to open and administer your accounts with us and to provide you with accurate and pertinent advice. We hold all nonpublic personal information you provide to us in the strictest confidence. If we were to change our firm policy, we would be prohibited under the law from doing so without advising you first.

Hayes Financial, Inc. collects personal information about you from the following sources:

- Applications or other forms.
- Discussions with unaffiliated third parties.
- Information about your transactions with us or others.
- Questionnaires.
- Tax Returns.
- Estate Planning Documents.

Hayes Financial, Inc. uses your personal information in the following manner:

- We do not sell your personal information to anyone.
- We limit employee and agent access to information only to those who have a business or professional reason for knowing, and only to nonaffiliated parties as permitted by law. (For example, federal regulations permit us to share a limited amount of information about you with a brokerage firm in order to execute securities transactions on

your behalf, or so that our firm can discuss your financial situation with your accountant or lawyer.)

- We will provide notice of changes in our information sharing practices. If, at any time in the future, it is necessary to disclose any of your personal information in a way that is inconsistent with this policy, we will give you advance notice of the proposed change so you will have the opportunity to opt out of such disclosure.
- We maintain a secure office and computer environment to ensure that your information is not placed at unreasonable risk.
- For unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors, we also require strict confidentiality in our agreements with them and expect them to keep this information private. Federal and state regulators also may review firm records as permitted under law.
- We do not provide your personally identifiable information to mailing list vendors or solicitors for any purpose.
- Personally identifiable information about you will be maintained during the time you are a client, and for the required time thereafter that such records are required to be maintained by federal and state securities laws. After this required period of record retention, all such information will be destroyed.

**Item 1 – Cover Page**

**HAYES FINANCIAL, INC.**

99 Almaden Blvd., Suite 730  
San Jose, California 95113

(408) 947-7321

February 16, 2021

<https://hfinancial.com/>

This Brochure provides information about the qualifications and business practices of Hayes Financial, Inc. If you have any questions about the contents of this Brochure, please contact us at (408) 947-7321 or [clare@hfinancial.com](mailto:clare@hfinancial.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Hayes Financial, Inc. is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Hayes Financial, Inc. is 288733.

## **Item 2 – Material Changes**

There are no material changes in this brochure from our last annual updating amendment filed on 01/30/2020.

We will ensure that all current clients receive a Summary of Material Changes to this and subsequent Brochures within 120 days of the close of our business's fiscal year. A Summary of Material Changes is also included with our Brochure on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Hayes Financial, Inc. is 288733. We may further provide other ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Clare Raleigh, Compliance Officer of Hayes Financial, Inc. at (408) 947-7321 or [clare@hfinancial.com](mailto:clare@hfinancial.com). Our Brochure is provided free of charge.

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#### **Item 4 – Advisory Business**

- A** Hayes Financial, Inc. (“Hayes Financial” “we” or “us”) is a registered investment advisor located in San Jose, California and registered with the SEC since 2017. Hayes Financial’s owner is Zachary D. Hayes.
- B** Hayes Financial provides investment advisory and financial planning services. Hayes Financial’s investment advisory services are driven by and coordinated with each Client’s individual financial goals. We employ a 7-step investment process, ensuring that prior to investment of any client monies, a deep and thorough understanding is gained of each client’s entire financial picture. We discuss budget, income and withdraw expectations prior to the recommendation or deployment of portfolio strategies. After our team is confident in its understanding of the client’s circumstances, we recommend separate allocation strategies for qualified and non-qualified monies. These allocations are constructed using cash flow/withdraw expectations and then modern-portfolio theory and current economic expectations.
- C** The firm follows strict fiduciary standards, putting its Clients’ interests before its own and seeking to avoid conflicts of interest with its Clients. The firm helps Clients coordinate and prioritize their financial lives with all aspects of their life goals. Integrating investments across all individual retirement accounts, taxable accounts, and employee retirement accounts is crucial to the process. Client input and involvement are critical parts of the financial planning process and implementation of investment decisions. After Client assets are invested, the firm monitors their investments and provides advice related to ongoing financial and investment needs. The firm’s objective is to always put its Clients’ interests first.

Hayes Financial has discretionary authority over Client funds. Discretionary authority means that the firm has the authority to determine, without obtaining specific Client consent, the securities bought or sold and the amount of securities bought or sold. The only restrictions on the above discretionary authority are those set by the Client on a case by case basis. Discretionary authority allows the firm to act on behalf of the Client in most matters necessary or incidental to the handling of the account, including monitoring certain assets, without the Client’s prior approval. In limited circumstances, we manage Client funds on a non-discretionary basis.

Advice and services are tailored to the stated objectives of the Client(s). The firm discusses with the Client in detail critically important information, such as the Client’s risk tolerance, time horizon, and projected future needs, to formulate an investment policy. This policy guides the firm in objectively and suitably managing the Client’s account. A registered investment advisor representative of the firm will meet with Clients on an as needed basis to review portfolio performance, discuss current issues, and re-assess goals and plans.

See Item 8 for a more thorough description of our investment strategy.

Hayes Financial, Inc.  
Form ADV Part 2A – Firm Brochure

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In certain instances, Advisor's services will include or be limited to the monitoring and reporting of the performance of certain investments in Client's Account. These assets are non-discretionary.

We follow strict fiduciary standards as required by the SEC, putting our Clients' interests before our own and seeking to avoid conflicts of interest with our Clients. We are compensated only by our Clients. Nonetheless, conflicts of interest do exist between our interests and our Clients' interests. Thus, our Clients are not obligated to act on our recommendations.

- D** If we believe Clients assets are more advantageous in a wrap fee program, Clients may elect to participate in our Wrap Fee Program and will be provided with Appendix 1 of our Form ADV.
- E** We manage \$269,947,038.00 of Client assets on a discretionary basis and \$4,498,821.00 of Client assets on a non-discretionary basis. These amounts were calculated as of December 31, 2020.



## **Item 5 – Fees and Compensation**

- A** Hayes Financial provides investment advisory and financial planning services to its Clients. Services may include the analysis of the Client's current portfolio, development of an investment policy statement, implementation of a recommended portfolio(s), and ongoing monitoring of the investment portfolio(s).

Hayes Financial also charges annual fees for managing Clients' portfolios. The fees charged generally vary between 1.0% and 1.25% of assets under management according to the amount of assets under management and the specific needs of the client. Hayes Financial has no set account minimum, but fees are generally not negotiable.

Advisory Services provided to College Savings Accounts (529 Accounts) will be charged separately a fee of .50% of the assets held in the account.

- B** We bill the Client quarterly in advance and concurrently send the custodian a notice of the amount of the fee to be deducted from the Client's account. Fees are paid directly to us from the account by the custodian upon our submission of an invoice to custodian. Payment of fees may result in the liquidation of Client's securities if there is insufficient cash in the account. The fee is based on the market value of the Client's account in the prior quarter. For billing purposes, the market value of assets under management in the Client's account are calculated as the average of three monthly averages across the quarter, which are taken at the end of each month within the quarter.

Market value means the value of all assets in the account (not adjusted by any margin debit). To determine value, securities and other instruments traded on a market for which actual transaction prices are publicly reported shall be valued at the last reported sale price on the principal market in which they are traded (or, if there shall be no sales on such date, then at the mean between the closing bid and asked prices on such date). Other readily marketable securities and other instruments shall be priced using a pricing service or through quotations from one or more dealers. All other assets shall be valued at fair value by Hayes Financial and in accordance with Hayes Financial's fiduciary duty. Hayes Financial neither recommends nor manages thinly traded or alternative investments that have no readily available market valuation. In situations when thinly traded or alternative investments are held by clients, Hayes Financial either places those assets in a separate non-billable account with our custodian, or excludes those assets from billing (if held in an actively managed account).

Fees for a partial quarter at the commencement or termination of an agreement will be prorated based on the number of days the account was open during the quarter.

- C** Clients pay brokerage transaction costs and other charges directly to the custodian. See Item 12. Clients may be required to pay, in addition to Hayes Financial's fee, a proportionate share of any Exchange Traded Fund's (ETF) or mutual fund's fees and charges. For example, Mutual fund operating expenses are paid out of the fund and are an additional expense incurred by the Client.

**D** Clients pay all advisory fees quarterly, in advance.

New accounts are pro-rated from the time we begin charging a fee to the Client. Fees for partial quarters at the commencement or termination of this Agreement will be billed on a pro-rated basis contingent on the number of days the account was open during the quarter.

If Hayes Financial has provided the Client a copy of its Form ADV Part 2 less than forty-eight hours prior to entering into any investment advisory contract or if Hayes Financial provided the Client a copy of its Form ADV Part 2 at the time of entering into the investment advisory agreement, then the Client may terminate the investment advisory agreement without penalty within five business days after entering into the contract. Alternatively, the investment advisory agreement may be terminated at any time by either party by providing 15 days written notice to the other party.

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

Hayes Financial does not charge any performance-based fees for its services or perform side by side management. Accordingly, this item is not applicable to our firm.

### **Item 7 – Types of Clients**

We provide investment advice to individuals, high net worth individuals, and businesses. Because each Client is unique, they must be willing to be involved in the planning and ongoing processes. Such involvement does not have to be time-consuming, however we want our Clients to remain informed and have a sense of security about their investments. Hayes Financial has no minimum account size for opening or maintaining an account.

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

- A Hayes Financial employs a 7-step process, ensuring that prior to investment of any client monies a deep and thorough understanding is gained of each client's entire financial picture. We discuss budget, income and withdraw expectations prior to the recommendation or deployment of portfolio strategies. After our team is confident in its understanding of the client's circumstances, we recommend separate allocation strategies for qualified and non-qualified monies. These allocations are constructed using cash flow/withdraw expectations and then modern-portfolio theory and current economic expectations. Each asset class within the allocation is then funded primarily with mutual funds, but also include stocks, bonds and ETF's, using our proprietary scoring model. This model assigns point values to performance measures we determine to be most valuable (ex. low downside capture, high Alpha, etc.). Those characteristics and Modern Portfolio statistics that we value most, receive proportionally higher scores, highlighting our favored performance behaviors with a higher cumulative score. Additionally, each investment is evaluated (and scored) over multiple time periods, including the 2008 downturn. As scores decline, assets are sold and replaced with those whose scores are higher.

Lastly, we conduct a qualitative review on each fund/investment that receives a high score in our model. This allows us to further evaluate risks to loss and underperformance.

- B We use our best judgment and good faith efforts in rendering services to Client. We cannot warrant or guarantee any particular level of account performance, or that an account will be profitable over time. Not every investment recommendation we make will be profitable. Investing in securities involves risk of loss that Clients should be prepared to bear. Clients assume all market risk involved in the investment of account assets. Investments are subject to various market, currency, economic, political, and business risks.

Except as may otherwise be provided by law, we are not liable to Clients for:

- any loss that Clients may suffer by reason of any investment recommendation we made with that degree of care, skill, and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; or
- any independent act or failure to act by a custodian of Client accounts.

It is the responsibility of the Client to give us complete information and to notify us of any changes in financial circumstances or goals.

**Item 9 – Disciplinary Information**

Hayes Financial is required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of our firm, or the integrity of our management. No principal or person associated with Hayes Financial has any information to disclose which is applicable to this Item.

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

Hayes Financial is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons. No principal or person associated with Hayes Financial has any information to disclose which is applicable to this Item.

**Item 11 – Code of Ethics, Participation or Interest in Client Transaction & Personal Trading**

**A** Hayes Financial has a Code of Ethics which all employees are required to follow. The Code of Ethics outlines our high standard of business conduct, and fiduciary duty to Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things.

A copy of the code of ethics is available to any Client or prospective Client upon request by contacting Clare Raleigh, at (408) 947-7321 or [clare@hfinancial.com](mailto:clare@hfinancial.com).

**B, C, D** We do not own or manage any companies or investments that we advise our Clients to buy.

Hayes Financial or individuals associated with our firm may buy and sell some of the same securities for their own account that Hayes Financial buys and sells for its Clients. When appropriate, we will purchase or sell securities for Clients before purchasing the same for our account or allowing representatives to purchase or sell the same for their own account. In some cases Hayes Financial or representatives may buy or sell securities for their own account for reasons not related to the strategies adopted for our Clients. Our employees are required to follow the Code of Ethics when making trades for their own accounts in securities which are recommended to and/or purchased for Clients. The Code of Ethics is designed to assure that the personal securities transactions will not interfere with decisions made in the best interest of advisory Clients while at the same time, allowing employees to invest their own accounts.

Hayes Financial will disclose to advisory Clients any material conflict of interest relating to us, our representatives, or any of our employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

As any advisory situation could present a conflict of interest, we have established the following restrictions to ensure our fiduciary responsibilities:

1. A director, officer, associated person, or employee of Hayes Financial shall not buy or sell securities for his personal portfolio where his decision is substantially derived, in whole or in part, by reason of his employment unless the information is also available to the investing public on reasonable inquiry. No person of Hayes Financial shall prefer his or her own interest to that of the advisory Client.
2. Hayes Financial maintains a list of all securities holdings for itself and for anyone associated with its advisory practice that has access to advisory recommendations. An appropriate officer of Hayes Financial reviews these holdings on a regular basis.



Hayes Financial, Inc.  
Form ADV Part 2A – Firm Brochure

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3. Any individual not in observance of the above may be subject to termination.

## **Item 12 – Brokerage Practices**

**A** Our Clients' assets are held by independent third-party custodians. Except to the extent that the Client directs otherwise, Hayes Financial may use its discretion in selecting or recommending the broker-dealer. The Client is not obligated to effect transactions through any broker-dealer recommended by Hayes Financial. In recommending broker-dealers, Hayes Financial will comply with its fiduciary duty to seek best execution and with the Securities Exchange Act of 1934 and will take into account such relevant factors as:

- Price;
- The custodian's facilities, reliability and financial responsibility;
- The ability of the custodian to effect transactions, particularly with regard to such aspects as timing, order size and execution of order; and
- Any other factors that we consider to be relevant.

Generally speaking, we will recommend that Clients establish custodial brokerage accounts with TD Ameritrade Institutional, a division of TD Ameritrade Inc., member FINRA/SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors like us services which include custody of securities, trade execution, clearance and settlement of transactions. We work with TD Ameritrade primarily with for administrative convenience and also because TD Ameritrade offers a good value to our Clients for the transaction costs and other costs incurred. We also receive some benefits from TD Ameritrade through our participation in the institutional services program ("Program"). (Please see the disclosure under Item 14 below for additional disclosures regarding the Program.)

**B** Hayes Financial may aggregate trades for Clients. The allocations of a particular security will be determined by Hayes Financial before the trade is placed with the broker. When practical, Client trades in the same security will be bunched in a single order ("block") in an effort to obtain best execution at the best security price available. When employing a block trade:

- Hayes Financial will make reasonable efforts to attempt to fill Client orders by day-end.
- If the block order is not filled by day-end, Hayes Financial will allocate shares executed to underlying accounts on a pro rata basis, adjusted as necessary to keep Client transaction costs to a minimum.
- If a block order is filled (full or partial fill) at several prices through multiple trades, an average price and commission will be used for all trades executed.
- All participants receiving securities from the block trade will receive the average price.
- Only trades executed within the block on the single day may be combined for purposes of calculating the average price.

It is expected that this trade aggregation and allocation policy will be applied consistently. However, if application of this policy results in unfair or inequitable treatment to some or all of Hayes Financial's Clients, Hayes Financial may deviate from this policy.

**Item 13 – Review of Accounts**

- A** Accounts are reviewed by Zachary Hayes who is responsible for overseeing all investment advisory activities for the firm. The frequency of reviews is determined based on the Client's investment objectives. Accounts are generally reviewed quarterly, but in any event, no less than annually.
- B** More frequent reviews may be triggered by a change in Client's investment objectives; tax considerations; large deposits or withdrawals; large sales or purchases; loss of confidence in corporate management; or, changes in the economic climate.
- C** Investment advisory Clients receive standard account statements from the custodian of their accounts on a monthly basis. Hayes Financial also provides Clients with a written report summarizing the account activity generally quarterly, but in any event, no less than annually.

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

Hayes Financial has no arrangements, written or oral, in which we are compensated for referrals.

As disclosed under Item 12 above, we participate in TD Ameritrade's institutional customer program and we may recommend TD Ameritrade to Clients for custody and brokerage services. While there is no direct link between our participation in the Program and the investment advice provided to Clients, we do receive economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors include the receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving our 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 its Client accounts. 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 Hayes Financial or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Hayes Financial endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Hayes Financial or its 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.

### **Item 15 – Custody**

With the exception of Hayes Financial's ability to debit fees, Hayes Financial does not otherwise have custody of the assets in the account. Clients provide written authority to have fees debited from their accounts when they review and sign Hayes Financial's Investment Advisory Agreement. They also provide the Custodian the authority to release fee payments from their accounts when they sign the custodial account application. Clients shall receive monthly account statements from the Custodian. Clients also receive quarterly statements from Hayes Financial that include notification of advisory fee calculations and the debiting from of these fees from client accounts. We urge clients to review the Hayes Financial statements carefully and compare these accounts statements with the account statements from the Custodian.

Hayes Financial shall have no liability to the Client for any loss or other harm to any property in the account, including any harm to any property in the account resulting from the insolvency of the custodian or any acts of the agents or employees of the custodian and whether or not the full amount or such loss is covered by the Securities Investor Protection Corporation ("SIPC") or any other insurance which may be carried by the custodian. The Client understands that SIPC provides only limited protection for the loss of property held by a custodian.

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

Clients generally grant Hayes Financial ongoing and continuous discretionary authority to execute its investment recommendations in accordance with Hayes Financial's Statement of Investment Policy (or similar document used to establish each Client's objectives and suitability), without the Client's prior approval of each specific transaction. Under this discretionary authority, Client allows Hayes Financial to purchase and sell securities and instruments in their account(s), arrange for delivery and payment in connection with the foregoing, select and retain sub-advisors, and act on behalf of the Client in matters necessary or incidental to the handling of the account, including monitoring certain assets.

Clients may also grant Hayes Financial non-discretionary authority to execute its investment recommendations. Non-discretionary authority requires Hayes Financial to obtain a Client's prior approval of each specific transaction prior to executing the investment recommendations.

**Item 17 – Voting Client Securities**

- A** Without exception, Hayes Financial does not vote proxies on behalf of Clients. Additionally, Hayes Financial will not provide advice to Clients on how the Client should vote.
  
- B** Hayes Financial does not have authority to vote Client securities. Clients will receive proxies and other solicitations directly from the custodian or transfer agent. If any proxy materials are received on behalf of a Client, they will be sent directly to the Client or a designated representative of the Client, who is responsible to vote the proxy.

**Item 18 – Financial Information**

- A** Hayes Financial does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.
- B** Hayes Financial does have discretionary authority over Client funds or securities, but we have no financial commitments that would impair our ability to meet contractual and fiduciary commitments to Clients.
- C** Neither Hayes Financial, nor any of the principals, have been the subject of a bankruptcy petition at any time in the past.



**Item 1 – Cover Page**

# HAYES FINANCIAL, INC.

99 Almaden Blvd., Suite 730  
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February 16, 2020

<http://hfinancial.com/>

This Brochure provides information about the qualifications and business practices of Hayes Financial, Inc. If you have any questions about the contents of this Brochure, please contact us at (408) 947-7321 or [clare@hfinancial.com](mailto:clare@hfinancial.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Hayes Financial, Inc. is a registered investment advisor. Registration of an investment advisor does not imply any level of skill or training.

Additional information about Hayes Financial, Inc. is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Hayes Financial, Inc. is 288733.

## **Item 2 – Material Changes**

There are no material changes in this brochure from our last annual updating amendment filed on 02/25/2019.

We will ensure that all current Clients receive a Summary of Material Changes to this and subsequent Wrap Fee Brochures within 120 days of the close of our business's fiscal year. A Summary of Material Changes is also included with our Brochure on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Hayes Financial, Inc. is #288733. We may further provide other ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

*At this time, we have no material changes to report.*

Currently, our Wrap Fee Brochure may be requested by contacting Clare Raleigh, Compliance Officer of Hayes Financial, Inc. at (408) 947-7321 or [clare@hfinancial.com](mailto:clare@hfinancial.com). Our Brochure is provided free of charge.

### Item 3 – Table of Contents

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#### **Item 4 – Services, Fees and Compensation**

- A** Under this Wrap Fee Program, Hayes Financial, Inc. (“Hayes Financial” “we” “us” or the “firm”) provides investment advisory services. Hayes Financial’s investment advisory services are driven by and coordinated with each Client’s individual financial goals. We employ a 7-step investment process, ensuring that prior to investment of any Client monies, a deep and thorough understanding is gained of each Client’s entire financial picture. We discuss budget, income and withdraw expectations prior to the recommendation or deployment of portfolio strategies. After our team is confident in its understanding of the Client’s circumstances, we recommend separate allocation strategies for qualified and non-qualified monies. These allocations are constructed using cash flow/withdraw expectations and then modern-portfolio theory and current economic expectations.

Under this Wrap Fee Program, Hayes Financial charges Clients annual fees for investment advisory services generally ranging from 1.0% to 1.25% of assets under management according to the amount of assets under management and the specific needs of the Client for managing Clients’ portfolios. Fees are generally not negotiable.

- B** In determining whether to establish an account under our wrap fee program, you should be aware that the overall cost to you of the program may be higher or lower than you might incur by purchasing separately, or unbundled, the types of securities available in the program. In order to compare the cost of the program with unbundled services, you should consider the turnover rate in our investment strategies, trading activity in the account and standard advisory fees and brokerage commissions that would be charged at our custodian, or at other broker-dealers and investment advisors.

Depending upon the percentage wrap-fee charged by our firm (as described more fully above), the amount of portfolio activity in your account, and the value of custodial and other services provided, the wrap-fee may or may not exceed the aggregate cost of such services if they were to be provided separately and/or if we were to negotiate transaction fees and seek best price and execution of transactions for your individual account. In as much as the execution costs for transactions effected in your account will be paid by our firm, a conflict of interest arises in that we may have a disincentive to trade securities in your account.

- C** Clients that are enrolled in the wrap fee program will still be required to pay certain fees including:
- The Client’s proportionate share of any internal mutual fund’s fees and charges.
  - The Client’s proportionate share of internal fees and expenses of exchange-traded funds such as fees and expenses for investment advisory services, administration, and other fund-level expenses
  - Client charges imposed by the Client’s current custodian (e.g., a transfer or termination

fee) before the assets are transferred to Hayes Financial.

- Client charges imposed by the Hayes Financial's custodian (e.g., a transfer or termination fee) before the assets are transferred from Hayes Financial.
- Client charges necessary to liquidate incoming positions into our recommended portfolio.

**D** Hayes Financial and its investment advisor representatives receive compensation as a result of your participation in the wrap fee program. This compensation may be more than the amount Hayes Financial and its investment advisor representatives would receive if you paid separately for investment advice, brokerage, and other services. Accordingly, a conflict of interest exists because Hayes Financial and its investment advisor representatives have a financial incentive to recommend the program.

## **Item 5 – Account Requirements and Types of Clients**

Hayes Financial provides investment advice to individuals, high net worth individuals, and businesses. Hayes Financial has no minimum account size for opening or maintaining a Wrap Fee Program Account.

## **Item 6 – Portfolio Manager Selection and Evaluation**

- A** Investment advisor representatives of Hayes Financial may act as the portfolio manager under a wrap fee program account. In circumstances where Hayes Financial recommends separate account managers, we consider several factors including account size, risk tolerance, the opinion of each Client and the investment philosophy of the selected registered investment advisor. The recommendation of the initial portfolio manager and or the replacement of the portfolio manager will be based on a number of factors including Client service, portfolio performance, customer satisfaction and other similar factors. The Chief Compliance Officer or other firm manager may conduct periodic portfolio performance evaluations where the performance of the portfolio being evaluated may be compared to other similarly managed accounts. Each portfolio evaluated may be evaluated based on its particular circumstances. Therefore, the portfolio performance evaluations of accounts may not be conducted on a uniform or consistent basis.
- B** Investment advisor representatives of Hayes Financial may act as the portfolio manager under a wrap fee program account. Hayes Financial and its investment advisor representatives receive compensation as a result of your participation in the program. This compensation may be more than the amount Hayes Financial and its investment advisor representatives would receive if you paid separately for investment advice, brokerage, and other services. Accordingly, a conflict of interest exists because Hayes Financial and its investment advisor representatives have a financial incentive to recommend the program. Related persons are subject to the same selection criteria as outside portfolio managers.
- C** **Advisory Business.**  
Information regarding types of advisory services offered, how advisory services are tailored to individual needs of Clients, and differences between the wrap fee program and separately managed accounts can be found in Item 4 above.

### **Performance-Based Fees and Side-By-Side Management.**

Hayes Financial does not charge any performance-based fees for its services and does not provide side-by-side management.

### **Methods of Analysis, Investment Strategies and Risk of Loss.**

Hayes Financial employs a 7-step process, ensuring that prior to investment of any Client monies a deep and thorough understanding is gained of each Client's entire financial picture. We discuss budget, income and withdraw expectations prior to the recommendation or deployment of portfolio strategies. After our team is confident in its understanding of the Client's circumstances, we recommend separate allocation strategies for qualified and non-qualified monies. These allocations are constructed using cash flow/withdraw expectations and then modern-portfolio theory and current economic

expectations. Each asset class within the allocation is then funded primarily with mutual funds, but also include stocks, bonds and ETF's, using our proprietary scoring model. This model assigns point values to performance measures we determine to be most valuable (ex. low downside capture, high Alpha, etc.). Those characteristics and Modern Portfolio statistics that we value most, receive proportionally higher scores, highlighting our favored performance behaviors with a higher cumulative score. Additionally, each investment is evaluated (and scored) over multiple time periods, including the 2008 downturn. As scores decline, assets are sold and replaced with those whose scores are higher.

As part of our core investment approach, we purchase on behalf of Clients investments including (but not limited to) the following:

- Mutual Fund shares
- Exchange Traded Fund shares
- Publicly traded securities
- Corporate debt securities
- Municipal securities
- United States government and agency securities

We primarily research and review securities using traditional fundamental analysis. The primary investment strategies used to implement investment advice given to Clients include long-term (securities held at least one year) and short-term (securities sold within a year) purchases. The fundamental analysis of securities is used in conjunction with modern portfolio theory to generate diversified portfolios of securities based on the individual Client's investment goals and risk tolerance profile. While this practice does mediate some investment risk, it cannot mediate all investment risk. This residual systemic risk includes, but is not limited to, interest rate risk, inflation risk, market risk, corporate risk, geopolitical risk, and risk due to war or natural disasters.

**Voting Client Securities.**

Without exception, Hayes Financial does not vote proxies on behalf of Clients. Additionally, Hayes Financial will not provide advice to Clients on how the Client should vote.

Hayes Financial does not have authority to vote Client securities. Clients will receive proxies and other solicitations directly from the custodian or transfer agent. If any proxy materials are received on behalf of a Client, they will be sent directly to the Client or a designated representative of the Client, who is responsible to vote the proxy.

**Item 7 – Client Information Provided to Portfolio Managers**

Once the Client selects an investment advisor representative and an advisory relationship is initiated, the investment advisor representative will obtain information from the Client on the Client's financial background, prior investment experience, investment objectives, goals and restrictions, if any, and risk tolerance, among other things. This information is shared with any separate account manager selected by the Client.



**Item 8 – Client Contact with Portfolio Managers**

Hayes Financial does not place any restrictions on its Client's ability to contact and consult with their portfolio managers.

## **Item 9 – Additional Information**

### **A Disciplinary Information.**

Hayes Financial is required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of our firm, or the integrity of our management. No principal or person associated with Hayes Financial has any information to disclose which is applicable to this Item.

### **Other Financial Industry Activities and Affiliations.**

Hayes Financial may, on occasion, recommend that all or a portion of a Client's assets be managed by an unaffiliated investment manager or sub-advisor. Fees charged by a sub-advisor will be fully disclosed to Clients. Sub-advisory fees may be deducted directly from Client accounts and may result in increased fees to Client. In all discretionary accounts, except to the extent the Client directs otherwise, we are authorized to use our discretion in selecting or changing a sub-advisor and/or outside money manager to the account without prior approval from a Client. Clients may be required to execute a limited power of attorney with a sub-advisor selected by us. Prior to selecting other advisers to manage Client assets, Hayes Financial will confirm that the other advisers are properly licensed or registered as an investment adviser.

### **B Code of Ethics, Participation or interest in Client transactions and personal trading.**

Hayes Financial has a Code of Ethics which all employees are required to follow. The Code of Ethics outlines our high standard of business conduct, and fiduciary duty to Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things.

We do not own or manage any companies or investments that we advise our Clients to buy.

Hayes Financial or individuals associated with our firm may buy and sell some of the same securities for their own account that Hayes Financial buys and sells for its Clients. When appropriate, we will purchase or sell securities for Clients before purchasing the same for our account or allowing representatives to purchase or sell the same for their own account. In some cases, Hayes Financial or representatives may buy or sell securities for their own account for reasons not related to the strategies adopted for our Clients. Our employees are required to follow the Code of Ethics when making trades for their own accounts in securities which are recommended to and/or purchased for Clients. The Code of Ethics is designed to assure that the personal securities transactions will not interfere with decisions made in the best interest of advisory Clients while at the same time, allowing employees to invest their own accounts.

Hayes Financial will disclose to advisory Clients any material conflict of interest relating to us, our representatives, or any of our employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

As any advisory situation could present a conflict of interest, we have established the following restrictions to ensure our fiduciary responsibilities:

1. A director, officer, associated person, or employee of Hayes Financial shall not buy or sell securities for his personal portfolio where his decision is substantially derived, in whole or in part, by reason of his employment unless the information is also available to the investing public on reasonable inquiry. No person of Hayes Financial shall prefer his or her own interest to that of the advisory Client.
2. Hayes Financial maintains a list of all securities holdings for itself and for anyone associated with its advisory practice that has access to advisory recommendations. An appropriate officer of Hayes Financial reviews these holdings on a regular basis.
3. Any individual not in observance of the above may be subject to termination.

**Review of Accounts.**

Accounts are reviewed by Zachary Hayes who is responsible for overseeing all investment advisory activities for the firm. The frequency of reviews is determined based on the Client's investment objectives. Accounts are generally reviewed quarterly, but in any event, no less than annually.

More frequent reviews may be triggered by a change in Client's investment objectives; tax considerations; large deposits or withdrawals; large sales or purchases; loss of confidence in corporate management; or, changes in the economic climate.

Investment advisory Clients receive standard account statements from the custodian of their accounts on a monthly basis. Hayes Financial also provides Clients with a written report summarizing the account activity generally quarterly, but in any event, no less than annually.

**Client Referrals and Other Compensation.**

Hayes Financial has no arrangements, written or oral, in which we are compensated for referrals.

Hayes Financial utilizes TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC, as custodian/broker-dealer. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. Hayes Financial participates in TD Ameritrade's institutional customer program and may recommend TD Ameritrade to Clients for custody and brokerage services. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions. The firm receives some benefits from TD Ameritrade through its participation in the program. While there is no direct link between our participation in the Program and the investment advice provided to Clients, we do receive economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors including the receipt of duplicate Client statements and confirmations; research related products and tools; consulting services;

access to a trading desk serving Hayes Financial 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 Hayes Financial by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Hayes Financial's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Hayes Financial but may not benefit its Client accounts. These products or services may assist Hayes Financial in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Hayes Financial manage and further develop its business enterprise. The benefits received by Hayes Financial or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Hayes Financial endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Hayes Financial or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Hayes Financial's choice of TD Ameritrade for custody and brokerage services.

#### **Financial Information.**

Hayes Financial does not require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance.

Hayes Financial does have discretionary authority over Client funds or securities, but we have no financial commitments that would impair our ability to meet contractual and fiduciary commitments to Clients.

Neither Hayes Financial, nor any of the principals, have been the subject of a bankruptcy petition at any time in the past.

Item 1 – Cover Page

ZACHARY D. HAYES

HAYES FINANCIAL, INC.

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January 30, 2020

<http://hfinancial.com/home/>

This ADV Part 2B (“Brochure Supplement”) provides information about Zachary D. Hayes that supplements Hayes Financial, Inc.’s (“Hayes Financial”) Form ADV Part 2A (“Brochure”). You should have received a copy of that Brochure. Please contact us at (408) 947-7321 or [clare@hfinancial.com](mailto:clare@hfinancial.com) if you did not receive a copy of the Firm’s Brochure or if you have any questions about the contents of this Brochure Supplement.

Additional information about Zachary D. Hayes is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Zachary D. Hayes is #4233286.

## **Item 2 – Educational Background and Business Experience**

**Zachary D. Hayes**

Year of Birth: 1975

### **Education:**

B.S., University of California at Davis, 1998

### **Employment:**

08/2017 – Present: President/Financial Advisor - Hayes Financial, Inc.  
01/2009 – 08/2017: Investment Advisor Representative, Raymond James Financial Services Advisors, Inc.  
05/2008 – 06/2017: Registered Representative, Raymond James Financial Services  
01/2008 – 05/2008: Financial Consultant, Wachovia Securities, LLC  
05/2004 – 05/2008: Financial Consultant, A.G. Edwards & Sons, Inc.

### **Examinations/Designations:**

Series 7 (General Securities Representative Examination) 01/29/2001  
Series 24 (General Securities Principal Examination) 11/06/2008  
Series 31 (Futures Managed Funds Examination) 03/30/2010  
Series 63 (Uniform Securities Agent State Law Examination) 01/07/2002  
Series 65 (Uniform Investment Adviser Law Examination) 12/10/2003

## **Item 3 – Disciplinary Information**

There is no disciplinary information to disclose regarding Mr. Hayes.

## **Item 4 – Other Business Activities**

Mr. Hayes has no other business activities.

## **Item 5 – Additional Compensation**

Mr. Hayes does not receive any additional compensation (or other economic benefit) for providing investment advisory services.

## **Item 6 – Supervision**

Clare Raleigh, Chief Compliance Officer, supervises the firm in the areas of client services and advice, investment policies, forms and procedures, day to day operations, general management of the firm and compliance related matters. Clare Raleigh supervises Mr. Hayes.

Item 1 – Cover Page

DANIEL G. NEWMAN, CFP®, EA

HAYES FINANCIAL, INC.

99 Almaden Blvd., Suite 730  
San Jose, California 95113

(408) 947-7321

July 15, 2020

<http://hfinancial.com/home/>

This ADV Part 2B (“Brochure Supplement”) provides information about Daniel G. Newman that supplements Hayes Financial, Inc.’s (“Hayes Financial”) Form ADV Part 2A (“Brochure”). You should have received a copy of that Brochure. Please contact us at (408) 947-7321 or [clare@hfinancial.com](mailto:clare@hfinancial.com) if you did not receive a copy of the Firm’s Brochure or if you have any questions about the contents of this Brochure Supplement.

Additional information about Daniel G. Newman is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Daniel G. Newman is #5977648.

## **Item 2 – Educational Background and Business Experience**

**Daniel G. Newman, CFP®, EA**

Year of Birth: 1986

### **Education:**

B.S., Wheaton College, 2009

### **Employment:**

08/2017 – Present: Financial Advisor - Hayes Financial, Inc.  
10/2016 – 08/2017: Investment Advisor Representative, Raymond James Financial Services Advisors, Inc.  
10/2016 – 06/2017: Registered Representative, Raymond James Financial Services  
01/2014 – 10/2016: Financial Consultant, Charles Schwab & Co., Inc.  
01/2014 – 10/2016: Financial Consultant, Charles Schwab Bank  
06/2012 – 12/2013: Financial Consultant, E\*TRADE Capital Management LLC  
06/2012 – 12/2013: Financial Consultant, E\*TRADE Securities LLC  
06/2012 – 12/2013: Financial Consultant, E\*TRADE Savings Bank  
09/2011 – 06/2012: Financial Advisor, Morgan Stanley Smith Barney

### **Examinations/Designations:**

Series 7 (General Securities Representative Examination) 10/27/2011  
Series 31 (Futures Managed Funds Examination) 01/18/2012  
Series 66 (Uniform Combined State Law Examination) 11/23/2011

### **CFP® – CERTIFIED FINANCIAL PLANNER™**

The Certified Financial Planner™ (CFP®) designation is issued by the Certified Financial Planner Board of Standards, Inc. after candidates pass the CFP Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances. Candidates must hold a bachelor's degree (or higher) from an accredited college or university and have at least 3 years of full-time personal financial planning experience. In addition, candidates must complete a CFP-board registered program. After certification, individuals are required to complete 30 hours of continuing education every two years, including two hours on the Code of Ethics and other parts of the Standard of Professional Conduct. For additional information, visit [www.cfp.net/](http://www.cfp.net/).

### **ENROLLED AGENT**

An Enrolled Agent (EA) is a federally-authorized tax practitioner who has technical expertise in the field of taxation and who is empowered by the U.S. Department of the Treasury to represent taxpayers before all administrative levels of the Internal Revenue Service for audits, collections,



and appeals. “Enrolled” means to be licensed to practice by the federal government, and “Agent” means authorized to appear in the place of the taxpayer at the IRS. Only Enrolled Agents, attorneys, and CPAs may represent any taxpayer before the IRS.

The license is earned in one of two ways: by passing a comprehensive examination which covers all aspects of the tax code, or having worked at the IRS for five years in a position which regularly interpreted and applied the tax code and its regulations. All candidates are subjected to a rigorous background check conducted by the IRS. In addition to the stringent testing and application process, the IRS requires Enrolled Agents to complete 72 hours of continuing professional education, reported every three years, to maintain their Enrolled Agent status. Enrolled Agents are required to abide by the provisions of the Department of Treasury’s Circular 230, which provides the regulations governing the practice of Enrolled Agents before the IRS.

### **Item 3 – Disciplinary Information**

There is no disciplinary information to disclose regarding Mr. Newman.

### **Item 4 – Other Business Activities**

Mr. Newman has no other business activities.

### **Item 5 – Additional Compensation**

Mr. Newman does not receive any additional compensation (or other economic benefit) for providing investment advisory services.

### **Item 6 – Supervision**

Clare Raleigh, Chief Compliance Officer, supervises the firm in the areas of client services and advice, investment policies, forms and procedures, day to day operations, general management of the firm and compliance related matters. Clare Raleigh supervises Mr. Newman.

Item 1 – Cover Page

CLARE RALEIGH

HAYES FINANCIAL, INC.

99 Almaden Blvd., Suite 730  
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January 30, 2020

<http://hfinancial.com/home/>

This ADV Part 2B (“Brochure Supplement”) provides information about Clare Raleigh that supplements Hayes Financial, Inc.’s (“Hayes Financial”) Form ADV Part 2A (“Brochure”). You should have received a copy of that Brochure. Please contact us at (408) 947-7321 or [clare@hfinancial.com](mailto:clare@hfinancial.com) if you did not receive a copy of the Firm’s Brochure or if you have any questions about the contents of this Brochure Supplement.

Additional information about Clare Raleigh is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Clare Raleigh is #5392695.

## **Item 2 – Educational Background and Business Experience**

### **Clare Raleigh**

Year of Birth: 1985

#### **Education:**

B.A. – Psychology and Social Behavior, University of California at Irvine, 2007

#### **Employment:**

08/2017 – Present: Executive Manager/Chief Compliance Officer - Hayes Financial, Inc.  
07/2009 – 08/2017: Investment Advisor Representative, Raymond James Financial Services Advisors, Inc.  
05/2008 – 05/2009: Registered Representative, Raymond James Financial Services  
07/2007 – 05/2008: Financial Associate, A.G. Edwards & Sons, Inc.

#### **Examinations/Designations:**

Series 7 (General Securities Representative Examination) 08/13/2009  
Series 63 (Uniform Securities Agent State Law Examination) 02/11/2010  
Series 65 (Uniform Investment Adviser Law Examination) 05/04/2018

## **Item 3 – Disciplinary Information**

There is no disciplinary information to disclose regarding Ms. Raleigh.

## **Item 4 – Other Business Activities**

Ms. Raleigh has no other business activities.

## **Item 5 – Additional Compensation**

Ms. Raleigh does not receive any additional compensation (or other economic benefit) for providing investment advisory services.

## **Item 6 – Supervision**

Clare Raleigh is the Chief Compliance Officer of Hayes Financial, Inc. and supervises the firm in the areas of client services and advice, investment policies, forms and procedures, day to day operations, general management of the firm and compliance related matters.