

ITEM 1: COVER SHEET

**FORM ADV PART 2A
INFORMATIONAL BROCHURE**

Kristen Coombs Financial Advisors

**270 Walker Drive, Suite 201A
State College, PA 16801
Phone: (814) 235-2703**

January 18, 2021

This brochure provides information about the qualifications and business practices of Kristen Coombs Financial Advisors. If you have any questions about the contents of this brochure, please contact us at (814) 235-2703. 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. Our registration does not imply a certain level of skill or training.

Additional information about Kristen Coombs Financial Advisors (CRD# [CRD #]) is also available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: STATEMENT OF MATERIAL CHANGES

Kristen Coombs Financial Advisors (“KCFA”) is required to disclose any material changes to this ADV Part 2A here in Item 2. There are no material changes to disclose at the time of this ADV.

ITEM 3: TABLE OF CONTENTS

TABLE OF CONTENTS

Item 1: Cover Sheet.....	1
Item 2: Statement of Material Changes.....	2
Item 3: Table of Contents.....	3
Item 4: Advisory Business	4
Item 5: Fees and Compensation	5
Item 6: Performance-Based Fees.....	8
Item 7: Types of Clients	8
Item 8: Methods of Analysis, Investment Strategies & Risk of Loss.....	8
Item 9: Disciplinary Information.....	11
Item 10: Other Financial Industry Activities and Affiliations.....	12
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal trading	12
Item 12: Brokerage Practices	13
Item 13: Review of Accounts.....	14
Item 14: Client Referrals and Other Compensation	15
Item 15: Custody	15
Item 16: Investment Discretion	15
Item 17: Voting Client Securities.....	16
Item 18: Financial Information	16
FORM ADV PART 2B	17

ITEM 4: ADVISORY BUSINESS

Kristen Coombs Financial Advisors ("KCFA" or the "Advisor") is a SEC Registered Investment Advisor located in State College, Pennsylvania. KCFA was founded in 2020, and is owned and operated by Kristen E. Coombs (Principal and Chief Compliance Officer). This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by KCFA.

KCFA provides financial planning, investment management, and consulting services to individuals, high net worth individuals and businesses (each a "Client"). Services are offered in several areas of a Client's financial situation, depending on their goals, objectives and financial situation.

Financial Planning Services

KCFA will provide a variety of financial planning services to individuals and families, pursuant to a written financial planning agreement. Services are offered in several areas of a Client's financial situation, depending on their goals, objectives and financial situation.

We believe that a financial life plan is a living, breathing document and should not be viewed as something you "set and forget". Goals change, people change, life happens. We work together with our clients throughout the planning process, beginning with goal setting through fact gathering and ultimately the design of their financial life plan. Goal based investment strategies are created that align with each individual financial goal such as retirement income, estate planning and charitable giving. Efficient tax management strategies are incorporated throughout the planning process. Once a blueprint is created, the plan is revisited on a regular basis.

Financial plans will be prepared with the assistance of the eMoney software program.

Financial planning recommendations may pose a potential conflict between the interests of the Advisor and the interests of the Client. For example, a recommendation to engage the Advisor for investment management services or to increase the level of investment assets with the Advisor would pose a conflict, as it would increase the advisory fees paid to the Advisor. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to effect the transaction through the Advisor.

Investment Management Services

KCFA provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment strategy. We then create and manage a portfolio based on that strategy. During our data-gathering process, we determine the client's individual objectives, goals, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

KCFA manages these advisory accounts on a discretionary basis through the use of third party managers. When we manage assets through a third party manager, we may not be able to consider specific investment restrictions, as we will not be the one trading the account. We can discuss such restrictions with the third party manager.

KCFA may also recommend a sub-adviser to its clients for asset management services. In such cases, the sub-adviser will be responsible for continuously monitoring client accounts and making trades in client accounts when necessary. While the chosen sub-adviser will provide advice on specific securities and/or other investments in connection with this service, KCFA may have

discretionary authority to hire and fire such managers and reallocate assets among them as deemed appropriate. KCFA will assist you with identifying your investment objectives and risk tolerance, and, in turn, retain sub-advisers in relation to your stated investment objectives and risk tolerance. As a result, we allocate a portion of the total fee charged and collected from you to the sub-adviser as compensation for their direct management of your account. This creates a conflict of interest as it gives KCFA an incentive to recommend sub-advisers based on compensation received or to not recommend sub-advisers based on the loss of compensation to the sub-adviser. To mitigate this conflict, when hiring a sub-adviser the client's best interest will be the main determining factor of KCFA.

KCFA does not place Client assets into a wrap fee program.

Retirement Plan Services

KCFA works with plan sponsors on their retirement plan needs on a non-discretionary basis. KCFA provides services such as non-discretionary investment management services and employee education on general investment principles.

As of August 31, 2020, KCFA has \$132,365,444 of assets under management for 126 households managed on a discretionary basis.

ITEM 5: FEES AND COMPENSATION

A. Fees Charged

All investment management clients will be required to execute an Investment Management Agreement that will describe the type of management services to be provided and the fees, among other items. Clients are advised that they may pay fees that are higher or lower than fees they may pay another advisor for the same services, and may in fact pay lower fees for comparable services from other sources. Clients are under no obligation at any time to engage, or to continue to engage, KCFA for investment services.

Financial Planning Services

KCFA offers financial planning services on an hourly basis ranging from \$250 to \$500 per hour or at a fixed fee ranging from \$1,000 to \$5,000. Financial planning fees may be negotiable depending on the nature and complexity of each Client's circumstances. An estimate of total costs will be determined prior to establishing the advisory relationship. The Advisor's financial planning fee is exclusive of, and in addition to, brokerage fees, transaction fees, and other related costs and expenses, which may be incurred by the Client for the implementation of the Advisor's recommendations. The Advisor shall not receive any portion of these commissions, fees, and costs. Financial planning fee arrangements may include making an initial deposit of a portion of the total estimated fee in advance, for an amount of up to fifty percent (50%) of the expected total cost. If this is the case, any unearned fees will be returned to the client in the event the engagement is terminated prior to completion. Further, KCFA will not accept fees in advance for greater than six (6) months. Fees for full financial plans will be different from fees for specific consulting projects.

Investment Management Services

KCFA provides investment management services for an annual fee based upon a percentage of the assets being managed by KCFA. This asset based fee typically varies between 0.00% and 1.35% depending on the amount of household assets under management as follows:

<u>Total Assets Under Management</u>	<u>Annual Fee Percentage</u>
0-500K	1.50%
500K - 1M	1.25%
1M - 2M	1.20%
2M - 4M	1.00%
4M - 6M	0.85%
6M - 10M	0.75%
10M +	0.60%
Reporting Only Accounts	0.00%

Fees are negotiable, and may be higher or lower within this range, based on the nature of the account. Factors affecting fee percentages include the size of the account, complexity of asset structures, and other factors. All clients, but especially those with smaller accounts, should be advised they may receive similar services from other professionals for higher or lower overall costs.

KCFA fees are in addition to the fees charged by a third party manager.

Reporting accounts are assets where KCFA does not manage the assets but does include the assets in the reporting to the client of overall portfolio assets.

Retirement Plan Services

KCFA charges an annual fee ranging from 0.50% and 1.00% of plan assets. The fees can be paid directly by the Plan Sponsor or deducted from the plan assets as indicated under the Non-Discretionary Retirement Plan Agreement.

B. Fee Payment

Financial Planning: Financial Planning fees will be due upon receipt of invoice from KCFA. In many cases, clients will be asked to put forth a retainer at the onset of the engagement which may be for up to 50% of the expected final cost. Fees may be paid via check, wire transfer or credit card.

Investment Management Services: For clients whose assets are managed by the firm, investment advisory fees will be debited directly from each client's account. The advisory fee is paid monthly, in advance, and the value used for the fee calculation is the gross value as of the last market day of the previous month. This means that if your annual fee is 1.00%, then each month we will multiply the value of your account by 1.00% then divide by 12 to calculate our fee. To the extent there is cash in your account, it will be included in the value for the purpose of calculating fees only if the cash is part of an investment strategy. Once the calculation is made, we will instruct your account custodian to deduct the fee from your account and remit it to KCFA.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. The client will receive a statement from their account custodian showing all transactions in their account, including the fee.

Third Party Managers

For clients whose assets are managed through third party managers (please see Item 8 for more information regarding the use of third party managers), the terms of fee payment may vary dependent upon the manager or managers selected. For example, while KCFA generally debits fees monthly, in advance, some managers calculate fees quarterly in arrears. For details on the exact methodology of calculating fees by each of the managers in a client's portfolio, clients should refer to the Form ADV for such managers.

Retirement Plan Services

Retirement Plan Sponsors pay fees directly or have the fees deducted from plan assets as directed by the agreement between the Plan Sponsors and KCFA.

C. Other Fees

There are a number of other fees that can be associated with holding and investing in securities. You will be responsible for fees including transaction fees for the purchase or sale of a mutual fund or Exchange Traded Fund, or commissions for the purchase or sale of a stock. Expenses of a fund will not be included in management fees, as they are deducted from the value of the shares by the mutual fund manager. When selecting mutual funds that have multiple share classes for recommendation to clients, KCFA will take into account the internal fees and expenses associated with each share class, and it is KCFA's policy to choose the lowest-cost share class available, absent circumstances that dictate otherwise. For complete discussion of expenses related to each mutual fund, you should read a copy of the prospectus issued by that fund. KCFA can provide or direct you to a copy of the prospectus for any fund that we recommend to you.

Please make sure to read Item 12 of this informational brochure, where we discuss broker-dealer and custodial issues.

D. *Pro-rata* Fees

If you become a client during a quarter, you will pay a management fee for the number of days left in that quarter. If you terminate our relationship during a quarter, you will be entitled to a refund of any management fees for the remainder of the quarter. Once your notice of termination is received, we will assess pro-rated fees for the number of days between the end of the prior billing period and the date of termination to be paid in whatever way you direct (check, wire). KCFA will cease to perform services, including processing trades and distributions, upon termination. Assets not transferred from terminated accounts within 30 (thirty) days of termination may be "de-linked", meaning they will no longer be visible to KCFA and will become a retail account with the custodian.

If you terminate our relationship before the completion of the financial planning engagement, any unearned fees will be returned to you on a pro rata basis. This does not mean that fees will be pro-rated on the basis of calendar days in the engagement. Rather, it will be pro-rated based on the amount of time KCFA has thus far spent on the engagement. Clients should understand that a large part of the financial planning work on an engagement takes part in the early part of the process.

E. Compensation for the Sale of Securities.

Some KCFA representatives are separately licensed as independent insurance agents. As such, these representatives may conduct insurance product transactions for KCFA clients, in their capacity as a licensed insurance agent, and will receive customary commissions for these transactions in addition to any compensation received in their capacity as employees of KCFA. Commissions from the sale of insurance products will not be used to offset or as a credit against advisory fees. These representatives therefore have an incentive to recommend insurance products based on the compensation to be received, rather than on a client's needs. The receipt of additional fees for insurance commissions is therefore a conflict of interest, and clients should be aware of this conflict when considering whether to engage KCFA to implement any insurance recommendations. KCFA attempts to mitigate this conflict of interest by disclosing the conflict to clients, and informing the clients that they are always free to purchase insurance products through other agents that are not affiliated with KCFA or to determine not to purchase the insurance product at all. KCFA also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics, their individual fiduciary duty to the clients of KCFA, which requires that employees put the

interests of clients ahead of their own.

ITEM 6: PERFORMANCE-BASED FEES

KCFA will not charge performance based fees.

ITEM 7: TYPES OF CLIENTS

KCFA provides investment management and financial planning services to individuals, high net worth individuals and businesses. KCFA requires each client to place at least \$500,000 with the firm. This minimum may be waived in the discretion of KCFA.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS

It is important for you to know and remember that all investments carry risks. **Investing in securities involves risk of loss that clients should be prepared to bear.**

As described in Item 4, our goal at KCFA is to understand each client's needs and goals, even if they do not obviously directly connect to their financial circumstances or investing. After we determine what a client's goals are, we can manage their assets accordingly. Each client's portfolio may be similar to, or vary greatly from, another client who on the surface seems quite similar. This is because each client's portfolio is constructed based on that client's life goals, needs and other circumstances, which may not be readily apparent to even a close friend.

Once we ascertain your objectives for each portfolio, we will develop an investment strategy. The strategy will be based current market conditions, your current financial situation, your financial goals, time horizon and risk tolerance.

Third Party Managers

We may recommend that all or a portion of a client's portfolio be managed by independent third-party managers or recommend direct investment with independent third-party managers, typically when those managers demonstrate knowledge and expertise in a particular investment strategy. Fees charged by independent third-party managers are in addition to fees charged by KCFA.

Prior to referring any client to another manager, KCFA will confirm that such manager is registered, or exempt from registration, as an investment adviser.

KCFA will obtain appropriate due diligence on all independent third-party managers, making reasonable inquiries into their performance calculations, policies and procedures, code of ethics policies and other operational and compliance matters to account for performance and risk management. We examine the experience, expertise, investment philosophies and past performance of third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks.

Based on a client's individual circumstances and needs, we will determine which selected money manager's portfolio management style is appropriate for that client. Factors considered in making this determination include account size, risk tolerance and the investment philosophy of the selected

money manager. We encourage clients to review each third-party manager's disclosure document regarding the particular characteristics of any program and managers selected by us.

We will regularly and continuously monitor the performance of the selected money managers. If we determine that a particular selected money manager is not providing sufficient management services to the client, or are not managing the client's portfolio in a manner consistent with the client's investment objectives, we will recommend that the client terminate the relationship with that third party manager.

When clients assets are allocated to a third party manager, the manager may collect client's advisory fee, and remit a portion of that fee back to KCFA. This fee is not in compensation for a client referral. Rather, it is KCFA's compensation for the ongoing diligence of that manager as it is part of client's portfolio.

When we manage assets through a third party manager, we may not be able to consider specific investment restrictions, as we will not be the one trading the account. We can discuss such restrictions with the third party manager.

Risk of Loss

There are always risks to investing. **Clients should be aware that all investments carry various types of risk including the potential loss of principal that clients should be prepared to bear.** It is impossible to name all possible types of risks. Among the risks are the following:

- **Political Risks.** Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- **General Market Risks.** Markets can, as a whole, go up or down on various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason, and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.
- **Currency Risk.** When investing in another country using another currency, the changes in the value of the currency can change the value of your security value in your portfolio.
- **Regulatory Risk.** Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.
- **Tax Risks Related to Short Term Trading:** Clients should note that KCFA may engage in short-term trading transactions. These transactions may result in short term gains or losses for federal and state tax purposes, which may be taxed at a higher rate than long term strategies. KCFA endeavors to invest client assets in a tax efficient manner, but all clients are advised to consult with their tax professionals regarding the transactions in client accounts.
- **Purchasing Power Risk.** Purchasing power risk is the risk that your investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.
- **Business Risk.** This can be thought of as certainty or uncertainty of income. Management comes under business risk. Cyclical companies (like automobile companies) have more business risk because of the less steady income stream. On the other hand, fast food chains tend to have steadier income streams and therefore, less business risk.
- **Financial Risk.** The amount of debt or leverage determines the financial risk of a company.
- **Default Risk.** This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.
- **Margin Risk.** "Margin" is a tool used to maximize returns on a given investment by using securities in a client account as collateral for a loan from the custodian to the client. The proceeds of

that loan are then used to buy more securities. In a positive result, the additional securities provide additional return on the same initial investment. In a negative result, the additional securities provide additional losses. Margin therefore carries a higher degree of risk than investing without margin. Any client account that will use margin will do so in accordance with Regulation T. KCFA may utilize margin on a limited basis for clients with higher risk tolerances.

- **Short Sales.** "Short sales" are a way to implement a trade in a security KCFA feels is overvalued. In a "long" trade, the investor is hoping the security increases in price. Thus in a long trade, the amount of the investor's loss (without margin) is the amount paid for the security. In a short sale, the investor is hoping the security decreases in price. However, unlike a long trade where the price of the security can only go from the purchase price to zero, in a short sale, the price of the security can go infinitely upwards. Thus in a short sale, the potential for loss is unlimited and unknown, where the potential for loss in a long trade is limited and knowable. KCFA utilizes short sales only when the client's risk tolerances permit.

- **Risks specific to private placements, sub-advisors and other managers.** If we invest some of your assets with another advisor, including a private placement, there are additional risks. These include risks that the other manager is not as qualified as we believe them to be, that the investments they use are not as liquid as we would normally use in your portfolio, or that their risk management guidelines are more liberal than we would normally employ. It is also possible that the information given to KCFA by the manager or private placement is inaccurate or insufficient for KCFA to render appropriate investment advice to the client regarding the investment. In addition, while many managers are registered, their private placement offerings may not be, which means they have not undergone as much scrutiny as a registered investment vehicle. Also, with regard to private placements, the manager of the private placement typically has control over the funds in the private placement, including the payment of expenses, which means the manager has a conflict in allocating expenses to be paid by the placement or the manager itself. Each private placement has a unique set of risk factors disclosed in its private placement memorandum. Clients should carefully review these and all other documents made available to them regarding private placements.

- **Information Risk.** All investment professionals rely on research in order to make conclusions about investment options. This research is always a mix of both internal (proprietary) and external (provided by third parties) data and analyses. Even an adviser who says they rely solely on proprietary research must still collect data from third parties. This data, or outside research is chosen for its perceived reliability, but there is no guarantee that the data or research will be completely accurate. Failure in data accuracy or research will translate to a compromised ability by the adviser to reach satisfactory investment conclusions.

- **Small Companies.** Some investment opportunities in the marketplace involve smaller issuers. These companies may be starting up, or are historically small. While these companies sometimes have potential for outsized returns, they also have the potential for losses because the reasons the company is small are also risks to the company's future. For example, a company's management may lack experience, or the company's capital for growth may be restricted. These small companies also tend to trade less frequently than larger companies, which can add to the risks associated with their securities because the ability to sell them at an appropriate price may be limited compared to the markets as a whole. Not only do these companies have investment risk, if a client is invested in such small companies and requests immediate or short term liquidity, these securities may require a significant discount to value in order to be sold in a shorter time frame.

- **Concentration Risk.** While KCFA selects individual securities, including mutual funds, for client portfolios based on an individualized assessment of each security, this evaluation comes without an overlay of general economic or sector specific issue analysis. This means that a client's equity portfolio may be concentrated in a specific sector, geography, or sub-sector (among other types of potential concentrations), so that if an unexpected event occurs that affects that specific sector or geography, for example, the client's equity portfolio may be affected negatively, including significant losses.

- **Transition risk.** As assets are transitioned from a client's prior advisers to KCFA there may be securities and other investments that do not fit within the asset allocation strategy selected for the client. Accordingly, these investments will need to be sold in order to reposition the portfolio into the asset allocation strategy selected by KCFA. However, this transition process may take some time to accomplish. Some investments may not be unwound for a lengthy period of time for a variety of

reasons that may include unwarranted low share prices, restrictions on trading, contractual restrictions on liquidity, or market-related liquidity concerns. In some cases, there may be securities or investments that are never able to be sold. The inability to transition a client's holdings into recommendations of KCFA may adversely affect the client's account values, as KCFA's recommendations may not be able to be fully implemented.

- **Restriction Risk.** Clients may at all times place reasonable restrictions on the management of their accounts. However, placing these restrictions may make managing the accounts more difficult, thus lowering the potential for returns.

- **Risks Related to Investment Term & Liquidity.** Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not an accurate measure of its value. If you require us to liquidate your portfolio during one of these periods, you will not realize as much value as you would have had the investment had the opportunity to regain its value. Further, some investments are made with the intention of the investment appreciating over an extended period of time. Liquidating these investments prior to their intended time horizon may result in losses.

- **REITs:** In very limited circumstances, KCFA may recommend that portions of client portfolios be allocated to real estate investment trusts, otherwise known as "REITs". A REIT is an entity, typically a trust or corporation, that accepts investments from a number of investors, pools the money, and then uses that money to invest in real estate through either actual property purchases or mortgage loans. While there are some benefits to owning REITs, which include potential tax benefits, income and the relatively low barrier to invest in real estate as compared to directly investing in real estate, REITs also have some increased risks as compared to more traditional investments such as stocks, bonds, and mutual funds. First, real estate investing can be highly volatile. Second, the specific REIT chosen may have a focus such as commercial real estate or real estate in a given location. Such investment focus can be beneficial if the properties are successful, but lose significant principal if the properties are not successful. REITs may also employ significant leverage for the purpose of purchasing more investments with fewer investment dollars, which can enhance returns but also enhances the risk of loss. The success of a REIT is highly dependent upon the manager of the REIT. Clients should ensure they understand the role of the REIT in their portfolio.

- **Mutual Funds:** Investing in mutual funds brings risks specific to that type of investment. These include, but are not limited to (i) market risk (risks that the value of the mutual fund will be affected by the performance of the overall markets, despite the management of the portfolio manager; (ii) inflation risk (the risk associated with the diminution of value of the mutual fund's shares as inflation increases; (iii) interest rate risk (the risk that with the fluctuation of interest rates, the perceived or relative value of the underlying holdings in the mutual fund may decrease; (iv) currency risk (the risk that investments made in one currency may diminish in value not fundamentally but instead because the currency of the investment's domicile is adversely impacted); and (v) credit risk (the risk that fixed income funds that invest in bonds may invest in bonds the borrowers of which are not creditworthy and may not make bond payments).

- **ETFs:** Investing in ETFs brings risks specific to that type of investment. These include, but are not limited to (i) trading risk (the risk that trades placed may not be executed in a timely manner); (ii) liquidity and shutdown risks (the risks that the ETF may not be as liquid as intended due to the possibility of the ETF or the markets as a whole being suspended); (iii) Authorized participant risk (the risk that an institutional firm which has entered into an agreement with the ETF's distributor to receive shares of the ETF in exchange for securities will cease to be active or change in identity thus creating a potential interruption in trading or redemptions for investors; (iv) Trade price differentiation/Disassociation for the index (the risk that the actual price of the ETF may deviate from the index it is intended to track or from the underlying value of the holdings; and (v) conflicts of interest (the risk that certain institutions (for example authorized participants) may act in their own best interests instead of fulfilling their contracts or acting in the best interests of investors..

ITEM 9: DISCIPLINARY INFORMATION

There are no disciplinary items to report.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Broker-dealer

The principal of KCFA, nor any related persons are registered, or have an application pending to register, as a broker dealer or as an associated person of the foregoing entities.

B. Futures Commission Merchant/Commodity Trading Advisor

The principal of KCFA, nor any related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

C. Relationship with Related Persons

Kristen E. Coombs is separately licensed as an independent insurance agent for purposes of servicing existing clients that have insurance products. KCFA does not intend to sell new insurance products, but has the ability to do so if warranted. As such, Mrs. Coombs may conduct insurance product transactions for KCFA clients in her capacity as licensed insurance agent, and will receive customary commissions for these transactions in addition to any compensation received from advisory services. Commissions from the sale of insurance products will not be used to offset or as a credit against advisory fees. Mrs. Coombs therefore has an incentive to recommend insurance products based on the compensation to be received. The receipt of additional fees for insurance commissions is therefore a conflict of interest, and clients should be aware of this conflict when considering whether to engage KCFA or utilize Mrs. Coombs to implement any insurance recommendations. KCFA attempts to mitigate this conflict of interest by disclosing the conflict to clients, and informing the clients that they are always free to purchase insurance products through other agents that are not affiliated with KCFA, or to determine not to purchase the insurance product at all. KCFA also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics, their individual fiduciary duty to the clients of KCFA, which requires that employees put the interests of clients ahead of their own.

Kristen E. Coombs is the owner of New Life Financial, LLC which assists individuals with making financial decisions during the divorce process. Kristen E. Coombs receives compensation from her activities with New Life Financial, LLC. KCFA attempts to mitigate this conflict of interest by disclosing it to the public.

D. Recommendations of Other Advisers

KCFA recommends other advisers. We do not refer clients to other managers in exchange for client referrals. Rather, we recommend the use of other managers to clients, and the other manager debits their fee and KCFA's fee in one debit, and remits KCFA's fee to KCFA. Because of this process, some people see the relationship as compensation for client referrals. For more information regarding KCFA's use of third party managers please see response to Item 8 for a full discussion. Compensation paid to the Adviser from various third party managers may vary; therefore there is a conflict of interest in recommending a manager who shares a larger portion of advisory fees over another manager. Fees for such programs may be higher or lower than if client directly obtained services of the third party manager or if client obtained advisory services separately.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Code of Ethics

A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of

our fiduciary duty to clients, political contributions, gifts, entertainment, and trading guidelines.

B. Recommendations Involving Material Financial Interests

Not applicable. KCFA does not recommend to clients that they invest in any security in which KCFA or any principal thereof has any financial interest.

C. Investing Personal Money in the Same Securities as Clients

On occasion, an employee of KCFA may purchase for his or her own account securities which are also recommended for clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades are reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

D. Trading Securities At/Around the Same Time as Clients' Securities

On occasion, an employee of KCFA may purchase for his or her own account securities which are also recommended for clients at the same time the clients purchase the securities. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades are reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

ITEM 12: BROKERAGE PRACTICES

A. Recommendation of Broker-Dealer

KCFA does not maintain custody of client assets, though KCFA may be deemed to have custody if a client grants KCFA authority to debit fees directly from their account (see Item 15 below). Assets will be held with a qualified custodian, which is typically a bank or broker-dealer. KCFA recommends that investment accounts be held in custody by Fidelity Institutional Wealth Services ("Fidelity"), which is a qualified custodian. KCFA is independently owned and operated and is not affiliated with Fidelity. Fidelity will hold your assets in a brokerage account and buy and sell securities when KCFA instructs them to, which KCFA does in accordance with its agreement with you. While KCFA recommends that you use Fidelity as custodian/broker, you will decide whether to do so and will open your account with Fidelity by entering into an account agreement directly with them. KCFA does not open the account for you, although KCFA may assist you in doing so. Even though your account is maintained at Fidelity, we can still use other brokers to execute trades for your account as described below (see "Your brokerage and custody costs").

How we select brokers/custodians

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. We consider a wide range of factors, including both quantitative (Ex: costs) and qualitative (execution, reputation, service) factors. We do not consider whether Fidelity or any other broker-dealer/custodian, refers clients to KCFA as part of our evaluation of these broker-dealers.

Your brokerage and custody costs

For our clients' accounts that Fidelity maintains, Fidelity generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Fidelity account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Fidelity execute most trades for your account. We have determined that having Fidelity execute most trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see "How we select brokers/custodians").

Products and services available to us from Fidelity

Fidelity provides us with some non-cash benefits (not available to retail customers) in return for placing client assets with them or executing trades through them. Such non-cash benefits are referred to as "soft dollars". Currently, these benefits come in the form of investment research and sponsored attendance at various investment seminars. We may also receive such items as investment software, books and research reports. These products, services, or educational seminars are items that will play a role in determining how to invest client accounts. If there is any item that has a multi-use aspect, mixed between investment and non-investment purposes, KCFA will determine a reasonable allocation of investment to non-investment use and soft dollars will be allocated only to the investment portion of the product (and we will pay the remaining cost). KCFA receives a benefit from these services, as otherwise we would be compiling the same research ourselves. This may cause us, or another adviser, to want to place more client accounts with a broker-dealer/custodian such as Fidelity, solely because of these added benefits. However, the value to all of our clients of these benefits is included in our evaluation of custodians. Products and services received via soft dollars will generally be used for the benefit of all clients. However, it is possible that a given client's trades will generate soft dollars that acquire products and/or services that are not ultimately utilized for that same client's account. Soft dollars provide additional value, and are accordingly considered in determining which broker-dealer or custodian to utilize as part of our best execution analysis.

We do not consider whether Fidelity or any other broker-dealer/custodian, refers clients to KCFA as part of our evaluation of these broker-dealers.

We do not routinely recommend, request or require that a client direct us to execute trades through a specified broker-dealer.

B. Aggregating Trades

Commission costs per client may be lower on a particular trade if all clients in whose accounts the trade is to be made are executed at the same time. This is called aggregating trades. Instead of placing a number of trades for the same security for each account, we will, when appropriate, execute one trade for all accounts and then allocate the trades to each account after execution. If an aggregate trade is not fully executed, the securities and expenses will be allocated to client accounts on a *pro rata* basis, except where doing so would create an unintended adverse consequence (For example, if a *pro rata* division would result in a client receiving a fraction of a share, or a position in the account of less than 1%.)

ITEM 13: REVIEW OF ACCOUNTS

All accounts and corresponding financial plans will be managed on an ongoing basis, with formal reviews with the client by a senior or lead advisor on at least an annual basis. However, it is expected that market conditions, changes in a particular client's account, or changes to a client's circumstances will trigger a review of accounts.

The annual report in writing provided by KCFA is intended to review asset allocation. All clients will receive statements and confirmations of trades directly from Fidelity. Please refer to Item 15 regarding Custody.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

A. Economic Benefit Provided by Third Parties for Advice Rendered to Client.

Please refer to Item 12, where we discuss recommendation of Broker-Dealers.

B. Compensation to Non-Advisory Personnel for Client Referrals.

If a client is introduced to KCFA by either an unaffiliated or an affiliated solicitor, KCFA may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Unaffiliated or affiliated solicitors will be licensed in accordance with applicable state laws. Any such referral fee shall be paid solely from KCFA's investment management fee, and shall not result in any additional charge to the client. If the client is introduced to KCFA by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of the solicitor relationship, and shall provide each prospective client with a copy of KCFA's ADV and a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between KCFA and the solicitor, including the compensation to be received by the solicitor from KCFA.

ITEM 15: CUSTODY

There are two avenues through which KCFA has custody of client funds; by directly debiting its fees from client accounts pursuant to applicable agreements granting such right, and potentially by permitting clients to issue standing letters of authorization ("SLOAs"). SLOAs permit a client to issue one document that directs KCFA to make distributions out of the client's account(s).

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. The client will receive a statement from their account custodian showing all transactions in their account, including the fee.

We encourage clients to carefully review the statements and confirmations sent to them by their custodian, and to compare the information on your quarterly report prepared by KCFA against the information in the statements provided directly from Fidelity. Please alert us of any discrepancies.

In addition to the account custodian's custody procedures, clients issuing SLOAs will be requested to confirm, in writing, that the accounts to which funds are distributed are parties unrelated to KCFA.

ITEM 16: INVESTMENT DISCRETION

When KCFA is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You may receive at your request written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive

monthly statements from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and KCFA.

We will not accept restrictions on the specific securities in a bundled product. KCFA will accept restrictions on the products themselves.

ITEM 17: VOTING CLIENT SECURITIES

Copies of our Proxy Voting Policies are available upon request.

From time to time, shareholders of stocks, mutual funds, exchange traded funds or other securities may be permitted to vote on various types of corporate actions. Examples of these actions include mergers, tender offers, or board elections. Clients are required to vote proxies related to their investments, or to choose not to vote their proxies. KCFA will not accept authority to vote client securities. Clients will receive their proxies directly from the custodian for the client account. In some circumstances, KCFA will give clients advice on how to vote proxies.

ITEM 18: FINANCIAL INFORMATION

KCFA does not require the prepayment of fees more than six (6) months or more in advance and therefore has not provided a balance sheet with this brochure.

There are no material financial circumstances or conditions that would reasonably be expected to impair our ability to meet our contractual obligations to our clients.

Item 1: Cover Sheet

FORM ADV PART 2B
Kristen E. Coombs

Kristen E. Coombs, LLC

**270 Walker Drive, Suite 201A
State College, PA 16801
Phone: (814) 235-2703**

January 18, 2021

This Brochure Supplement provides information about Kristen E. Coombs that supplements the Kristen E. Coombs, LLC Brochure. You should have received a copy of that Brochure. Please contact Kristen E. Coombs at the number above if you did not receive Kristen E. Coombs, LLC's Brochure or if you have any questions about the contents of this supplement. Registration does not imply any certain level of skill or training.

Additional information about Kristen E. Coombs is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Kristen E. Coombs
Born: 1964

EDUCATION:

Katherine Gibbs College, Associates Degree

BUSINESS EXPERIENCE:

KCFA – State College, PA
Principal & Chief Compliance Officer, 10/2020

H. Beck, Inc. – Bethesda, MD
Registered Representative, 05/2013 – 10/2020

Walnut Street Securities - State College, PA
Registered Representative, 08/2006 – 05/2013

PFG Financial Advisors – State College, PA
Investment Advisor Representative, 08/2006 – 05/2013

Purshe Kaplan Sterling Investments – Albany, NY
Registered Representative, 04/2005 – 08/2006

Abundance Wealth Counselors, LLC – State Collge, PA
Client Liason, 08/2001 – 08/2006

1717 Capital Management – State College, PA
Registered Representative, 08/2000 – 07/2002

BUSINESS EXPERIENCE:

CERTIFIED FINANCIAL PLANNER™

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 68,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial

planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

- Examination – Pass the comprehensive 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;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

ITEM 3: 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. No information is applicable to this Item for Mrs. Coombs.

ITEM 4: OTHER BUSINESS ACTIVITIES

Kristen E. Coombs is separately licensed as an independent insurance agent for purposes of servicing existing clients that have insurance products. KCFA does not intend to sell new insurance products, but has the ability to do so if warranted. As such, Mrs. Coombs may conduct insurance product transactions for KCFA clients in her capacity as licensed insurance agent, and will receive customary commissions for these transactions in addition to any compensation received from advisory services. Commissions from the sale of insurance products will not be used to offset or as a credit against advisory fees. Mrs. Coombs therefore has an incentive to recommend insurance products based on the compensation to be received. The receipt of additional fees for insurance commissions is therefore a conflict of interest, and clients should be aware of this conflict when considering whether to engage KCFA or utilize Mrs. Coombs to implement any insurance recommendations. KCFA attempts to mitigate this conflict of interest by disclosing the conflict to clients, and informing the clients that they are always free to purchase insurance products through other agents that are

not affiliated with KCFA, or to determine not to purchase the insurance product at all. KCFA also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics, their individual fiduciary duty to the clients of KCFA, which requires that employees put the interests of clients ahead of their own.

In addition, Mrs. Coombs has the following outside business activities. We do not believe any of these activities is significant to advisory clients or the advisory business:

- i) Mrs. Coombs services as a trustee on an investment trust account. We do not believe this presents a material conflict of interest with advisory clients. It does not take a significant amount of Mrs. Coombs's time nor does it provide any income to Mrs. Coombs.
- ii) Mrs. Coombs owns a number of real estate properties and manages them. We do not believe these real estate properties or the management thereof present a material conflict of interest with advisory clients. The amount of time spent on these holdings is not significant.
- iii) Mrs. Coombs is the owner of New Life Financial, LLC which assists individuals with the financial decisions made during the divorce process. We do not believe this presents a material conflict of interest with advisory clients and does not take a significant amount of time outside of her responsibilities with KCFA.

ITEM 5: ADDITIONAL COMPENSATION

Please see response to Item 4, above.

ITEM 6: SUPERVISION

Mrs. Coombs is a principal of the firm, and also the firm's Chief Compliance Officer. She has no direct supervisor. However, all employees of KCFA are required to follow the supervisory guidelines and procedures manual which is designed to ensure compliance with securities laws in the states where KCFA is registered.

ITEM 7: REQUIREMENTS FOR STATE REGISTERED ADVISORS

Mrs. Coombs does not have any additional information to disclose.