

**ITEM. 1 COVER PAGE FOR  
PART 2A OF FORM ADV:  
FIRM BROCHURE  
DATED: March 2021**

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**FIRM CONTACT: EVELYN ZOHLN, CHIEF COMPLIANCE OFFICER**

**FIRM WEBSITE ADDRESS: [WWW.INSPIREDFINANCIAL.BIZ](http://WWW.INSPIREDFINANCIAL.BIZ)**

**This brochure provides information about the qualifications and business practices of Inspired Financial. If you have any questions about the contents of this brochure, please contact by telephone at 714-971-0663 or email at [evelyn@inspiredfinancial.biz](mailto:evelyn@inspiredfinancial.biz). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority.**

**Additional information about Inspired Financial also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) .**

**Please note that the use of the term "registered investment adviser" and description of Inspired Financial and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firms' associates who advise you for more information on the qualifications of our firm and its employees.**

**ITEM 2. MATERIAL CHANGES TO OUR PART 2A OF FORM ADV:**  
**FIRM BROCHURE**

**Inspired Financial** is required to advise you of any material changes to our Firm Brochure ("Brochure") from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure. Please note that we do not have to provide this information to a client or prospective client who has not received a previous version of our brochure.

This is the annual updating amendment of the Form ADV Part 2A & B of Inspired Financial.

No material changes since the last update.

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#### **Item 4. Advisory Business**

We specialize in the following types of services: Wealth Management. Our assets under management are \$247,000,000 as of December 31, 2020.

A. Description of our advisory firm, including how long we have been in business and our principal owner(s).

We are dedicated to providing individuals and other types of clients with a wide array of investment advisory services. Our firm is a limited liability company formed in the State of California. Our firm has been in business as an investment adviser since 2003 and is owned as follows:

Evelyn Zohlen – One-hundred-percent owner

B. Description of the types of advisory services we offer.

Wealth Management:

Our Wealth Management service encompasses asset management as well as providing financial planning to clients. It is designed to assist clients in meeting their financial goals using financial investments. We conduct at least one, but sometimes more than one meeting (in person if possible, otherwise via telephone conference) with clients to understand their current financial situation, existing resources, financial goals, and tolerance for risk. Based on what we learn, we propose an investment approach to the client. We may propose an investment portfolio, consisting of exchange traded funds, mutual funds, individual stocks or bonds, or other securities. Upon the client's agreement to the proposed investment plan, we work with the client to establish or transfer investment accounts so that we can manage the client's portfolio. Once the relevant accounts are under our management, we review such accounts on a regular basis and at least quarterly. We may periodically rebalance or adjust client accounts under our management. If the client experiences any significant changes to his/her financial or personal circumstances, the client must notify us so that we can consider such information in managing the client's investments.

Accounting Services

Mark Prendergast is a Certified Public Accountant and a Certified Financial Planner™. In such capacity he may also provide income tax preparation or accounting services. These services are independent of our financial planning and investment advisory services and are governed under a separate engagement agreement. The fees for these services are billed hourly and are in addition to the client's Wealth Management fees. The hourly rate varies depending on the complexity of the work conducted and is agreed upon with the Client

prior to rendering services. We do not actively solicit clients to utilize these services. There is a conflict of interest if in the capacity as a tax adviser a client receives a recommendation for investment management services. Clients are not required to use the Adviser's investment management services and Client's may find accounting or investment management services elsewhere at a lower cost.

C. Explanation of whether (and, if so, how) we tailor our advisory services to the individual needs of *clients*, whether *clients* may impose restrictions on investing in certain securities or types of securities.

(i) Individual Tailoring of Advice to Clients:

We offer individualized investment advice to clients utilizing the following services offered by our firm: Wealth Management.

(ii) Ability of Clients to Impose Restrictions on Investing in Certain Securities or Types of Securities:

We do not allow our Wealth Management clients to impose restrictions on investing in certain securities or types of securities due to the level of difficulty this would entail in managing their account.

D. Participation in *wrap fee programs*.

We do not offer wrap fee programs.

E. Disclosure of the amount of *client* assets we manage on a *discretionary basis* as of *December 2020*.

We manage<sup>1</sup> \$247,000,000 on a discretionary basis as of December 31, 2020.

## **Item 5. Fees and Compensation**

We are required to describe our brokerage, custody, fees and fund expenses so you will know how much you are charged and by whom for our advisory services provided to you. Our fees are generally not negotiable. However, we may charge a lesser management fee based upon

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<sup>1</sup> Please note that our method for computing the amount of "*client* assets we manage" can be different from the method for computing "assets under management" required for Item 5.F in Part 1A of Form ADV. However, we have chosen to follow the method outlined for Item 5.F in Part 1A of Form ADV. If we decide to use a different method at a later date to compute "*client* assets we manage," we must keep documentation describing the method we use and inform you of the change. The amount of assets we manage may be disclosed by rounding to the nearest \$100,000. Our "as of" date must not be more than three months before the date we last updated our *Brochure* in response to Item 4.E of Form ADV Part 2A.

certain criteria such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, etc.

A. Description of how we are compensated for our advisory services provided to you.

(i) Wealth Management:

Our firms' annual fees for wealth management services provided under this Agreement shall be based on the market value of assets under management and shall range from 0.50% and 1.00% depending upon the client's assets under management. However, for new clients as of January 1, 2019, a minimum annual management fee of \$18,000 will be assessed regardless of the account balance. These fees are billed on a pro-rata annualized basis quarterly in arrears based on the value of your account on the last day of the quarter. The minimum annual fee may be lower for some clients that have been long-term clients of Inspired Financial.

B. Description of whether we deduct fees from *clients'* assets or bill *clients* for fees incurred.

(i) Wealth Management:

Our firms' fees are billed on a pro-rata annualized basis quarterly in arrears based on the value of your account on the last day of the quarter. Fees will generally be automatically deducted from accounts managed by Inspired Financial. As part of this process, you understand and acknowledge the following:

- a) Your independent custodian sends statements at least quarterly to you showing all disbursements for your account, including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms.

C. Description of any other types of fees or expenses *clients* may pay in connection with our advisory services, such as custodian fees or mutual fund expenses.

Clients will incur transaction charges for trades executed in their accounts. These transaction fees are separate from our fees and will be disclosed by the firm that executes the trades. Also, clients will pay the following separately incurred expenses, of which we do not receive any part: charges imposed directly by a mutual fund or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

D. Client's advisory fees are due quarterly in arrears.

We charge our advisory fees quarterly in arrears. If you decide to terminate our services, you need to let us know in writing. Upon receipt of your letter of termination, we will proceed to close your account and charge you a pro-rata fee for services provided to date.

E. Commissionable securities sales.

We do not sell securities for a commission and are not registered representatives of a broker-dealer (which is a requirement to sell securities for a commission).

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

We do not charge performance fees to our clients.

**Item 7. Types of Clients and Account Requirements**

We have the following types of clients:

- Individuals and high net worth Individuals;

Our requirements for opening and maintaining accounts or otherwise engaging us:

- We do not require a minimum account balance for our Wealth Management service.
- However, a minimum annual management fee of \$18,000 will be assessed regardless of the account balance.

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

A. Description of the methods of analysis and investment strategies we use in formulating investment advice or managing assets.

Methods of Analysis:

- Fundamental.

Investment Strategies we use:

- Long term purchases (securities held at least a year);
- Short term purchases (securities sold within a year);

**Please note:**

Investing in securities involves risk of loss that *clients* should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us questions you may have.

D. Our practices regarding cash balances in *client* accounts, including whether we invest cash balances for temporary purposes and, if so, how.

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to Wealth Management (including investment management), as applicable.

**Item 9. Disciplinary Information**

We are required to disclose whether there are legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of our advisory business or the integrity of our management. There are a number of specific legal and disciplinary events that we must presume are material for this Item. If our advisory firm or a *management person* has been *involved* in one of these events, we must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in our or the *management person's* favor, or was reversed, suspended or vacated, or (2) the event is not material (see Note below). For purposes of calculating this ten-year period, the "date" of an event is the date that the final *order*, judgment, or decree was entered, or the date that any rights of appeal from preliminary *orders*, judgments or decrees lapsed.

The SEC and/or State Regulators have not provided us with an exclusive list of material disciplinary events, which need to be disclosed. If our advisory firm or a *management person* has been *involved* in a legal or disciplinary event that is not specifically required to be disclosed, but nonetheless is material to a *client's* or prospective *client's* evaluation of our advisory business or the integrity of our management, we must disclose the event. Similarly, even if more than ten years has passed since the date of the event, we must disclose the event if it is so serious that it remains currently material to a *client's* or prospective *client's* evaluation of our firm or management.

We have determined that our firm and management have nothing to disclose under the aforementioned standard.



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

Description of any relationship or arrangement that is material to our advisory business or to our *clients*, that we or any of our *management persons* have with any *related person*<sup>2</sup> listed below. We are required to identify the *related person* and if the relationship or arrangement creates a material conflict of interest with *clients*, describe the nature of the conflict and how we address it.

- A. Our firm or our management persons have a material relationship with the following *related person(s)* as follows:

Mark Prendergast sits on the Board of Directors for another investment adviser, Regency Investment Management. This creates a conflict of interest in that Mr. Prendergast is involved with two separate investment advisers and their clients. The Code of Ethics of each firm and the supervision of each firm's Chief Compliance Officers mitigate this conflict.

- B. If we recommend or select other investment advisers for our *clients* and we receive compensation directly or indirectly from those advisers, or we have other business relationships with those advisers, we are required to describe these practices and discuss the conflicts of interest these practices create and how we address them.

We have nothing to disclose in this regard.

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

- A. Brief description of our Code of Ethics adopted pursuant to SEC rule 204A-1 and offer to provide a copy of our Code of Ethics to any *client* or prospective *client* upon request.

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

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<sup>2</sup> Our **Related Persons** are any *advisory affiliates* and any *person* that is under common *control* with our firm.  
**Advisory Affiliate:** Our advisory affiliates are (1) all of our officers, partners, or directors (or any *person* performing similar functions); (2) all *persons* directly or indirectly *controlling* or *controlled* by us; and (3) all of our current *employees* (other than *employees* performing only clerical, administrative, support or similar functions).  
**Person:** A natural person (an individual) or a company. A company includes any partnership, corporation, trust, limited liability company ("LLC"), limited liability partnership ("LLP"), sole proprietorship, or other organization.

Therefore, to prevent conflicts of interest, we have in place a set of procedures with respect to transactions effected by our members, officers and employees for their personal accounts<sup>3</sup>. To monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is always an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We always require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

- B. If our firm or a *related person* invests in the same securities (or related securities, e.g., warrants, options or futures) that our firm or a *related person* recommends to *clients*, we are required to describe our practice and discuss the conflicts of interest this presents and generally how we address the conflicts that arise in connection with personal trading.

See Item 11A of this Brochure.

- C. If our firm or a *related person* recommends securities to *clients*, or buys or sells securities for *client* accounts, at or about the same time that you or a *related person* buys or sells the same securities for our firm's (or the *related person's* own) account, we are required to describe our practice and discuss the conflicts of interest it presents. We are also required to describe generally how we address conflicts that arise.

See Item 11A of this Brochure.

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<sup>3</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

## **Item 12. Brokerage Practices**

A. Description of the factors that we consider in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (e.g., commissions).

1. Research and Other Soft Dollar Benefits. If we receive research or other products or services other than execution from a broker-dealer or a third party in connection with *client* securities transactions ("soft dollar benefits"), we are required to disclose our practices and discuss the conflicts of interest they create. Please note that we must disclose all soft dollar benefits we receive, including, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

Our firm has an arrangement with TD Ameritrade Institutional ("TD Ameritrade") which provides our firm with TD Ameritrade's "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support our firm in conducting business and in serving the best interests of our clients but that may benefit our firm.

In addition, TD Ameritrade, may pay for a portion of the costs of our back-office service provider, Orion Advisor Services. We do not receive any direct compensation from TD Ameritrade and the fees that they pay to Orion Advisor Services directly benefit our clients.

- a. Explanation of when we use *client* brokerage commissions (or markups or markdowns) to obtain research or other products or services, and how we receive a benefit because our firm does not have to produce or pay for the research, products or services.

As part of the arrangement described in Item 12.A.1., TD Ameritrade also makes certain research and brokerage services available at no additional cost to our firm. These services include research obtained by TD Ameritrade directly from independent research companies as selected by our firm (within specific parameters). Research products and services provided by TD Ameritrade to our firm may include research reports on recommendations or other information about particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by TD Ameritrade to our firm in the performance of our investment decision-making responsibilities. The research and brokerage services are used by our firm to manage accounts for which we have investment discretion. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

- b. Incentive to select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on our *clients'* interest in receiving best execution.

As a result of receiving the services discussed in 12.A.(1)a. of this Firm Brochure for no additional cost, we may have an incentive to continue to use or expand the use of TD Ameritrade's services. Our firm examined this potential conflict of interest when we chose to enter the relationship with TD Ameritrade and we have determined that the relationship is in the best interest of our firm's clients and satisfies our client obligations, including our duty to seek best execution.

TD Ameritrade charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). TD Ameritrade enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. TD Ameritrade's commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by TD Ameritrade may be higher or lower than those charged by other custodians and broker-dealers.

- c. Causing *clients* to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up).

Our clients may pay a commission to TD Ameritrade that is higher than another qualified broker dealer might charge to execute the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

- d. Disclosure of whether we use soft dollar benefits to service all of our *clients'* accounts, as well as whether we seek to allocate soft dollar benefits to *client* accounts proportionately to the soft dollar credits the accounts generate.

The investment research products and services that may be obtained by our firm will generally be used to service all our clients.

- 2) Brokerage for *Client* Referrals. If we consider, in selecting or recommending broker-dealers, whether our firm or a *related person* receives *client* referrals from a broker-dealer or third party, we are required to disclose this practice and discuss the conflicts of interest it creates.

Our firm does not receive brokerage for client referrals.

- 3) Directed Brokerage.

- a. If we routinely recommend, request or require that a *client* directs us to execute transactions through a specified broker-dealer, we are required to describe our practice or policy. Further, we must explain that not all advisers require their *clients* to direct brokerage. If our firm and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, we are further required to describe the relationship and discuss the conflicts of interest it presents by explaining that through the direction of brokerage we may be unable to achieve best execution of *client* transactions, and that this practice may cost our *clients* more money.

In certain instances, clients may seek to limit or restrict our discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are executed. Any such client direction must be in writing (often through our advisory agreement) and may contain a representation from the client that the arrangement is permissible under its governing laws and documents, if this is relevant.

We provide appropriate disclosure in writing to clients who direct trades to brokers, that with respect to their directed trades, they will be treated as if they have retained the investment discretion that we otherwise would have in selecting brokers to execute transactions and in negotiating commissions and that such direction may adversely affect our ability to obtain best price and execution. In addition, we will inform you in writing that your trade orders may not be aggregated with other clients' orders and that direction of brokerage may hinder best execution.

#### **Special Considerations for ERISA Clients**

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this

arrangement will be for the exclusive benefit of the plan.

- b. If we permit a *client* to direct brokerage, we are required to describe our practice. If applicable, we must also explain that we may be unable to achieve best execution of your *transactions*. Directed brokerage may cost *clients* more money. For example, in a directed brokerage account, you may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or you may receive less favorable prices on transactions.

See Item 12.A.3. of this Brochure.

- B. Discussion of whether, and under what conditions, we aggregate the purchase or sale of securities for various *client* accounts in quantities sufficient to obtain reduced transaction costs (known as bunching). If we do not bunch orders when we have the opportunity to do so, we are required to explain our practice and describe the costs to *clients* of not bunching.

We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more accounts, they are executed only when we believe that to do so will be in the best interest of the impacted accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

### **Item 13. Review of Accounts**

- A. Review of *client* accounts, along with a description of the frequency and nature of our review, and the titles of our *employees* who conduct the review.

We review accounts on at least a quarterly basis for our clients subscribing to the following services: Wealth Management. The nature of these reviews is to learn whether clients' accounts are aligned with their investment objectives, appropriately positioned based on market conditions and investment policies, if applicable. Evelyn Zohlen, President and Chief Compliance Officer, reviews all client accounts.

- B. Review of *client* accounts on other than a periodic basis, along with a description of the factors that trigger a review.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

C. Description of the content and indication of the frequency of written or verbal regular reports we provide to *clients* regarding their accounts.

We provide written reports to clients on a quarterly basis. Additional verbal reports to clients take place on at least an annual basis when we meet with clients who subscribe to the following: Wealth Management Service.

**Item 14. Client Referrals and Other Compensation**

A. If someone who is not a *client* provides an economic benefit to our firm for providing investment advice or other advisory services to our *clients*, we must generally describe the arrangement. For purposes of this Item, economic benefits include any sales awards or other prizes.

Except for the arrangements outlined in Item 12 of this brochure, we have no additional arrangements to disclose.

B. If our firm or a *related person* directly or indirectly compensates any *person* who is not our *employee* for *client* referrals, we are required to describe the arrangement and the compensation.

We do not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940.

**Item 15. Custody**

A. If we have *custody* of *client* funds or securities and a qualified custodian as defined in SEC rule 206(4)-2 or similar state rules (for example, a broker-dealer or bank) does not send account statements with respect to those funds or securities directly to our *clients*, we must disclose that we have *custody* and explain the risks that you will face because of this.

All our clients receive at least quarterly account statements directly from their custodians. Upon opening an account with a qualified custodian on a client's behalf, we promptly notify the client in writing of the qualified custodian's contact information. If we decide to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm.

- B. If we have *custody of client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to our *clients*, we are required to explain that you will receive account statements from the broker-dealer, bank, or other qualified custodian and that you should carefully review those statements.

We encourage our clients to raise any questions with us about the custody, safety or security of their assets. Our custodians will send you independent account statements listing your account balance(s), transaction history and any advisory fee debits or other fees taken out of your account.

#### **Item 16. Investment Discretion**

If we accept *discretionary authority* to manage securities accounts on behalf of *clients*, we are required to disclose this fact and describe any limitations our *clients* may place on our authority. The following procedures are followed before we assume this authority:

Our clients need to sign a discretionary investment advisory agreement with our firm for the management of their account. This type of agreement only applies to our Wealth Management clients. We do not take or exercise discretion with respect to our other clients.

#### **Item 17. Voting Client Securities**

If we have, or will accept, proxy authority to vote *client* securities, we must briefly describe our voting policies and procedures, including those adopted pursuant to SEC Rule 206(4)-6.

We do not and will not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. If proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about a proxy vote or other solicitation.

#### **Item 18. Financial Information**

- A. If we require or solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance, we must include a balance sheet for our most recent fiscal year.

We do not require nor do we solicit prepayment of more than \$1,200 in fees per *client* six months or more in advance, therefore we have not included a balance sheet for our most recent fiscal year.

- B. If we are an SEC-registered adviser and have *discretionary authority or custody of client* funds or securities, or we require or solicit prepayment of more than \$1,200 in fees per



*client*, six months or more in advance, we must disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments to *clients*.

We have nothing to disclose in this regard.

- C. If we have been the subject of a bankruptcy petition at any time during the past ten years, we must disclose this fact, the date the petition was first brought, and the current status.

We have nothing to disclose in this regard.

## **BUSINESS CONTINUITY PLAN**

The Adviser has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

### **1. Disasters**

The Business Continuity Plan covers natural disasters such as severe storms, earthquakes flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

### **2. Alternate Offices**

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

### **3. Summary of Business Continuity Plan**

A summary of the business continuity plan is available upon request to Inspired Financial's Chief Compliance Officer, Evelyn Zohlen

## **PRIVACY POLICY**

### **1. Information Security**

The Adviser maintains an information security program to reduce the risk that your personal and confidential information may be breached.

### **2. Privacy Policy**

Below is a summary of the Adviser's Privacy Policy regarding client personal information. A complete version of the Privacy Policy is contained in your client advisory agreement and may be obtained by contacting the Compliance Officer of the Adviser.

The Adviser:

- a) Collects non-public personal information about its clients from the following sources:
  - Information received from clients on applications or other forms;
  - Information about clients' transactions with the Adviser, its affiliates and others;
  - Information received from our correspondent clearing broker with respect to client accounts;
  - Medical information submitted as part of an insurance application for a traditional life or variable life policy; and
  - Information received from service bureaus or other third parties.
- b) Will not share such information with any affiliated or nonaffiliated third party except:
  - When necessary to complete a transaction in a customer account, such as with the clearing firm or account custodians;
  - When required to maintain or service a customer account;
  - To resolve customer disputes or inquiries;
  - With persons acting in a fiduciary or representative capacity on behalf of the customer;

- With rating agencies, persons assessing compliance with industry standards, or to the attorneys, accountants and auditors of the firm;
  - In connection with a sale or merger of The Adviser's business;
  - To protect against or prevent actual or potential fraud, identity theft, unauthorized transactions, claims or other liability;
  - To comply with federal, state or local laws, rules and other applicable legal requirements;
  - In connection with a written agreement to provide investment management or advisory services when the information is released for the sole purpose of providing the products or services covered by the agreement;
  - In any circumstances with the customer's instruction or consent.
- c) Restricts access to confidential client information to individuals who are authorized to have access to confidential client information and need to know that information to provide services to clients.
- d) Maintains physical, electronic and procedural security measures that comply with applicable state and federal regulations to safeguard confidential client information.

**ITEM 1: Cover Page for  
PART 2B OF FORM ADV:  
BROCHURE SUPPLEMENT  
DATED March 2021**

**INSPIRED FINANCIAL, LLC DBA INSPIRED FINANCIAL  
5011 ARGOSY AVENUE, SUITE 7  
HUNTINGTON BEACH, CA 92649**

**FIRM CONTACT: EVELYN ZOHLN, CHIEF COMPLIANCE OFFICER**

**FIRMS WEBSITE ADDRESS: [WWW.INSPIREDFINANCIAL.BIZ](http://WWW.INSPIREDFINANCIAL.BIZ)**

**This brochure supplement provides information about Ms. Zohlen that supplements our brochure. You should have received a copy of that brochure. Please contact Ms. Zohlen if you did not receive Inspired Financial, LLC's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Evelyn Zohlen is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## Item 2 Educational Background and Business Experience

We are required to disclose the following information about Ms. Zohlen:

### **Evelyn Zohlen**

**Year of Birth:** 1966

#### **Education:**

University of Texas – B.A. Spanish, minor Business  
Joint Military Intelligence College – M.S. Strategic Intelligence  
Villanova University – M.B.A Concentration in Finance

#### **Licenses:**

Certified Financial Planner™ designee – 2003

#### **Business Background (for the past 5 years):**

Inspired Financial LLC, President, July 2002—Present  
The Vanguard Group, Relationship Manager, April 1998—July 2002

## Item 3 Disciplinary Information

If there are legal or disciplinary events material to your evaluation of Ms. Zohlen, we are required to disclose all material facts regarding those events. <sup>4</sup>

We have nothing to disclose in this regard.

## Item 4 Other Business Activities

- A. If Ms. Zohlen is actively engaged in any investment-related business or occupation, including if Ms. Zohlen is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), commodity trading advisor ("CTA"), or an associated

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<sup>4</sup> **Note:** Our firm may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, we are not required to disclose it. When we review a legal or disciplinary event involving Ms. Zohlen to determine whether it is appropriate to rebut the presumption of materiality, we consider all of the following factors: (1) the proximity of Ms. Zohlen to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If we conclude that the materiality presumption has been overcome, we prepare and maintain a file memorandum of our determination in our records. We follow SEC rule 204-2(a)(14)(iii) and similar state rules.

person of an FCM, CPO, or CTA, we are required to disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

We have nothing to disclose in this regard.

1. If a relationship between the advisory business and Ms. Zohlen's other financial industry activities creates a material conflict of interest with you, the SEC requires us to describe the nature of the conflict and generally how we address it.

We have nothing to disclose in this regard.

2. If Ms. Zohlen receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service ("trail") fees from the sale of mutual funds, we have to disclose this fact. If this compensation is not cash, we are required to explain what type of compensation Ms. Zohlen receives. We must explain that this practice gives Ms. Zohlen an incentive to recommend investment products based on the compensation received, rather than on your needs.

We have nothing to disclose in this regard.

- B. If Ms. Zohlen is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of Ms. Zohlen's income or involve a substantial amount of Ms. Zohlen's time, we are required to disclose this fact and must describe the nature of that business. If the other business activities represent less than 10 percent of Ms. Zohlen's time and income, we may presume that they are not substantial.

We have nothing to disclose in this regard.

## **Item 5            Additional Compensation**

If someone who is not a *client* provides an economic benefit to Ms. Zohlen for providing advisory services, we are required to generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include Ms. Zohlen's regular salary. Any bonus that is based, at least in part, on the number or amount of sales, *client* referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

We have nothing to disclose in this regard.

## Item 6 Supervision

We are required to explain how we *supervise* Ms. Zohlen, including how we monitor the advice Ms. Zohlen provides to you. Our firm has to provide the name, title and telephone number of the *person* responsible for supervising Ms. Zohlen's advisory activities on behalf of our firm.

Ms. Zohlen is the Chief Compliance Officer and as such has no internal supervision placed over her. She is however bound by our firm's Code of Ethics.

## Item 2 Educational Background and Business Experience

We are required to disclose the following information about Mr. Prendergast:

### **Mark L. Prendergast**

**Year of Birth:** 1955

### **Education:**

College for Financial Planning (Denver, CO) – M.S. Personal Financial Planning  
California State University, Fresno – B.S. Business Administration (Accounting)

### **Licenses:**

Certified Divorce Financial Analyst™ - 2015  
Certified Public Accountant – 1982  
Certified Financial Planner™ designee – 1988

### **Business Background (for the past 5 years):**

Regency Investment Advisers, Inc., 2010 – Present, Director  
Inspired Financial LLC, 2007—Present, Principal

## Item 3 Disciplinary Information

If there are legal or disciplinary events material to your evaluation of Mr. Prendergast, we are required to disclose all material facts regarding those events. <sup>5</sup>

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<sup>5</sup> **Note:** Our firm may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, we are not required to disclose it. When we review a legal or disciplinary event involving Mr. Prendergast to determine whether it is appropriate to rebut the presumption of materiality, we consider all of the following factors: (1) the proximity of Mr. Prendergast to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If we conclude that the materiality presumption has been overcome, we prepare and maintain a file memorandum of our determination in our records. We follow SEC rule 204-2(a)(14)(iii) and similar state rules.



We have nothing to disclose in this regard.

#### Item 4 Other Business Activities

- A. If Mr. Prendergast is actively engaged in any *investment-related* business or occupation, including if Mr. Prendergast is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), commodity trading advisor ("CTA"), or an associated *person* of an FCM, CPO, or CTA, we are required to disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

Mark Prendergast is on the Board of Directors for Regency Investment Advisers.

3. If a relationship between the advisory business and Mr. Prendergast's other financial industry activities creates a material conflict of interest with you, the SEC requires us to describe the nature of the conflict and generally how we address it.

There is a material conflict of interest in that Mr. Prendergast is in a position to know clients and operations of another investment adviser. Each firm's Code of Ethics and the supervision of the Chief Compliance Officers mitigate the conflict of interest.

4. If Mr. Prendergast receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service ("trail") fees from the sale of mutual funds, we have to disclose this fact. If this compensation is not cash, we are required to explain what type of compensation Mr. Prendergast receives. We must explain that this practice gives Mr. Prendergast an incentive to recommend investment products based on the compensation received, rather than on your needs.

Mr. Prendergast does receive nominal compensation for his position on the Board of Directors of Regency Investment Advisers.

- B. If Mr. Prendergast is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of Mr. Prendergast's income or involve a substantial amount of Mr. Prendergast's time, we are required to disclose this fact and must describe the nature of that business. If the other business activities represent less than 10 percent of Mr. Prendergast's time and income, we may presume that they are not substantial.

We have nothing to disclose in this regard.

**Item 5            Additional Compensation**

If someone who is not a *client* provides an economic benefit to Mr. Prendergast for providing advisory services, we are required to generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include Mr. Prendergast's regular salary. Any bonus that is based, at least in part, on the number or amount of sales, *client* referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

We have nothing to disclose in this regard.

**Item 6            Supervision**

We are required to explain how we *supervise* Mr. Prendergast, including how we monitor the advice Mr. Prendergast provides to *you*. *Our firm has to provide the name, title and telephone number of the person responsible for supervising Mr. Prendergast's advisory activities on behalf of our firm.*

Ms. Evelyn Zohlen, President and Chief Compliance Officer of Inspired Financial, supervises and monitors Mr. Prendergast's activities on a regular basis. Ms. Zohlen reviews outgoing correspondence for written financial advice that Mr. Prendergast provides to his clients. Please contact Ms. Zohlen if you have any questions about Mr. Prendergast's brochure supplement at 714-971-0663.

## Item 2 Educational Background and Business Experience

We are required to disclose the following information about Ms. Castillo Dominguez:

### **Maria Castillo Dominguez**

**Year of Birth:** 1984

#### **Education:**

Universidad de Sevilla – B.S. Business

Instituto Superior de Tecnicas y Practicas Bancarias - M.S. Finance

#### **Licenses:**

Certified Financial Planner™ designee – 2020

#### **Business Background (for the past 5 years):**

Inspired Financial LLC, Financial Planner, October 2018-Present

TD Ameritrade, Financial Consultant, July 2016-September 2018

TD Ameritrade Institutional, Principal, Compliance, May 2013-July 2016

## Item 3 Disciplinary Information

If there are legal or disciplinary events material to your evaluation of Ms. Castillo Dominguez, we are required to disclose all material facts regarding those events.<sup>6</sup>

We have nothing to disclose in this regard.

## Item 4 Other Business Activities

- A. If Ms. Castillo Dominguez is actively engaged in any investment-related business or occupation, including if Ms. Castillo Dominguez is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), commodity trading advisor ("CTA"), or an associated person of an FCM, CPO, or CTA, we are required to

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<sup>6</sup> **Note:** Our firm may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, we are not required to disclose it. When we review a legal or disciplinary event involving Ms. Dominguez to determine whether it is appropriate to rebut the presumption of materiality, we consider all of the following factors: (1) the proximity of Ms. Dominguez to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If we conclude that the materiality presumption has been overcome, we prepare and maintain a file memorandum of our determination in our records. We follow SEC rule 204-2(a)(14)(iii) and similar state rules.

disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

We have nothing to disclose in this regard.

5. If a relationship between the advisory business and Ms. Castillo Dominguez's other financial industry activities creates a material conflict of interest with you, the SEC requires us to describe the nature of the conflict and generally how we address it.

We have nothing to disclose in this regard.

6. If Ms. Castillo Dominguez receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service ("trail") fees from the sale of mutual funds, we have to disclose this fact. If this compensation is not cash, we are required to explain what type of compensation Ms. Castillo Dominguez receives. We must explain that this practice gives Ms. Castillo Dominguez an incentive to recommend investment products based on the compensation received, rather than on your needs.

We have nothing to disclose in this regard.

- B. If Ms. Castillo Dominguez is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of Ms. Castillo Dominguez's income or involve a substantial amount of Ms. Castillo Dominguez's time, we are required to disclose this fact and must describe the nature of that business. If the other business activities represent less than 10 percent of Ms. Castillo Dominguez's time and income, we may presume that they are not substantial.

We have nothing to disclose in this regard.

## **Item 5            Additional Compensation**

If someone who is not a *client* provides an economic benefit to Ms. Castillo Dominguez for providing advisory services, we are required to generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include Ms. Castillo Dominguez's regular salary. Any bonus that is based, at least in part, on the number or amount of sales, *client* referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

We have nothing to disclose in this regard.

**Item 6            Supervision**

We are required to explain how we *supervise* Ms. Castillo Dominguez, including how we monitor the advice Ms. Castillo Dominguez provides to you. Our firm has to provide the name, title and telephone number of the *person* responsible for supervising Ms. Castillo Dominguez's advisory activities on behalf of our firm.

Ms. Evelyn Zohlen, President and Chief Compliance Officer of Inspired Financial, supervises and monitors Ms. Castillo Dominguez's activities on a regular basis. Ms. Zohlen reviews outgoing correspondence for written financial advice that Ms. Castillo Dominguez provides to her clients. Please contact Ms. Zohlen if you have any questions about Ms. Castillo Dominguez's brochure supplement at 714-971-0663.

## Item 2 Educational Background and Business Experience

We are required to disclose the following information about Ms. Thornton:

### Claire Thornton

**Year of Birth:** 1993

**Education:**

Muhlenberg College- B.A. Finance and English Literature

**Licenses:**

Certified Financial Planner™ designee – 2019

**Business Background (for the past 5 years):**

Inspired Financial- April 2020-Present

Carnegie Wealth Management- June 2018-March 2020

Merrill Lynch, Pierce, Fenner & Smith- July 2016-June 2018

## Item 3 Disciplinary Information

If there are legal or disciplinary events material to your evaluation of Ms. Thornton, we are required to disclose all material facts regarding those events. <sup>7</sup>

We have nothing to disclose in this regard.

## Item 4 Other Business Activities

A. If Ms. Thornton is actively engaged in any *investment-related* business or occupation, including if Ms. Thornton is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), commodity trading advisor ("CTA"), or an associated *person* of an FCM, CPO, or CTA, we are required to disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

We have nothing to disclose in this regard.

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<sup>7</sup> **Note:** Our firm may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, we are not required to disclose it. When we review a legal or disciplinary event involving Ms. Thornton to determine whether it is appropriate to rebut the presumption of materiality, we consider all of the following factors: (1) the proximity of Ms. Thornton to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If we conclude that the materiality presumption has been overcome, we prepare and maintain a file memorandum of our determination in our records. We follow SEC rule 204-2(a)(14)(iii) and similar state rules.

7. If a relationship between the advisory business and Ms. Thornton's other financial industry activities creates a material conflict of interest with you, the SEC requires us to describe the nature of the conflict and generally how we address it.

We have nothing to disclose in this regard.

8. If Ms. Thornton receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service ("trail") fees from the sale of mutual funds, we have to disclose this fact. If this compensation is not cash, we are required to explain what type of compensation Ms. Thornton receives. We must explain that this practice gives Ms. Thornton an incentive to recommend investment products based on the compensation received, rather than on your needs.

We have nothing to disclose in this regard.

- B. If Ms. Thornton is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of Ms. Thornton's income or involve a substantial amount of Ms. Thornton's time, we are required to disclose this fact and must describe the nature of that business. If the other business activities represent less than 10 percent of Ms. Thornton's time and income, we may presume that they are not substantial.

We have nothing to disclose in this regard.

## **Item 5            Additional Compensation**

If someone who is not a *client* provides an economic benefit to Ms. Thornton for providing advisory services, we are required to generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include Ms. Thornton's regular salary. Any bonus that is based, at least in part, on the number or amount of sales, *client* referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

We have nothing to disclose in this regard.

**Item 6            Supervision**

We are required to explain how we *supervise* Ms. Thornton, including how we monitor the advice Ms. Thornton provides to you. Our firm has to provide the name, title and telephone number of the *person* responsible for supervising Ms. Thornton's advisory activities on behalf of our firm.

Ms. Evelyn Zohlen, President and Chief Compliance Officer of Inspired Financial, supervises and monitors Ms. Thornton's activities on a regular basis. Ms. Zohlen reviews outgoing correspondence for written financial advice that Ms. Thornton provides to her clients. Please contact Ms. Zohlen if you have any questions about Ms. Thornton's brochure supplement at 714-971-0663.