

**ITEM 1: COVER PAGE**

**PROSPECT FINANCIAL GROUP LLC**

3617 North Albemarle Street  
Arlington, Virginia 22207  
[www.prospect-group.com](http://www.prospect-group.com)

March 16, 2022

*This brochure provides information about the qualifications and business practices of Prospect Financial Group LLC. If you have any questions about the contents of this brochure, please contact us at (703) 852-9673 or [info@prospect-group.com](mailto:info@prospect-group.com). 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 Prospect Financial Group LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Registration as an investment adviser does not imply a certain level of skill or training.*

## **ITEM 2: MATERIAL CHANGES**

The last annual update to this brochure was on March 3, 2021. This annual update contains the following material changes:

- Update of Item 4 to include direct management of separately managed stock accounts and advice on held-away accounts.
- Update to Item 5 to include additional asset-based fees for optional services, such as separate account management and trading of held-away accounts through an order management system.
- Update of Item 8 to add risks related to separate account management.
- Update to Item 15 to include custody resulting from third party transfers under Standing Letters of Authorizations (SLOAs).
- Update to Item 16 to include the authority to hire and terminate third-party managers for separately managed accounts and the ability to impose reasonable restrictions under investment discretion.
- Update to Item 19 to clarify that Prospect Financial Group does not take receipt of more than \$1200 in fees, per client, six months in advance.
- Removal of Item 19 and Item 7 in the Brochure Supplement for State-Registered Advisers.

As of the date of this brochure, there are no other material changes to disclose regarding our firm.

### ITEM 3: TABLE OF CONTENTS

ITEM 1:	Cover Page.....	1
ITEM 2:	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 and Side-By-Side Management .....	6
ITEM 7:	Types of Clients .....	7
ITEM 8:	Methods of Analysis, Investment Strategies and Risk of Loss .....	7
ITEM 9:	Disciplinary Information .....	8
ITEM 10:	Other Financial Industry Activities and Affiliations.....	8
ITEM 11:	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading ...	8
ITEM 12:	Brokerage Practices.....	9
ITEM 13:	Review of Accounts .....	10
ITEM 14:	Client Referrals and Other Compensation .....	10
ITEM 15:	Custody .....	10
ITEM 16:	Investment Discretion .....	11
ITEM 17:	Voting Client Securities.....	11
ITEM 18:	Financial Information .....	11

#### **ITEM 4: ADVISORY BUSINESS**

Prospect Financial Group LLC is a limited liability company formed in 2004 in Virginia. Gillian Curran is the sole owner of the company and its only investment advisor representative. Prospect Financial Group LLC provides investment advice and financial planning.

##### *Investment Advisory Services*

Prospect Financial Group LLC provides fee-only portfolio management services that are tailored to the individual needs of clients. Prospect Financial Group LLC primarily allocates investment management assets of its client accounts among various asset classes using mutual funds and exchange traded funds, but investment advice may include other types of investments.

In certain unique circumstances or if requested by a client, Prospect Financial Group LLC will allocate a portion of a portfolio to a separately managed stock account based upon client account size, investment strategy, and tax circumstances. In these situations, Prospect Financial Group LLC may directly manage the account or contract a third-party manager. Prospect Financial Group LLC will monitor the performance of the separately managed account. If Prospect Financial Group LLC determines that a particular selected separate manager is not providing sufficient management services to the client, or is not managing the client's portfolio in a manner consistent with the client's personal investment guidelines or asset allocation, Prospect Financial Group LLC will remove the client's assets from the selected account manager and place the client's assets directly under its own management or with another investment manager at Prospect Financial Group's discretion (for discretionary accounts).

Prospect Financial Group LLC may advise clients on held-away accounts using data aggregation software to monitor the accounts. These are typically 401(k) or 403(b) accounts, which may not allow a Limited Power of Attorney for trading. When unable to place trades with the custodian, Prospect Financial Group LLC will advise clients on changes to make in their accounts or use an order management system to request trades on the client's behalf.

Clients may impose restrictions on investing in certain securities or types of securities. Please see Item 8 on Methods of Analysis, Investment Strategies and Risk of Loss for more details.

##### *Financial Planning Services*

Financial planning services include:

- Retirement Planning
- Education Planning
- Major Purchase Planning
- Insurance Planning
- Asset Location and Tax Strategies
- Estate Planning, and
- Debt and Cash Flow Planning.

Prospect Financial Group does not provide tax or legal advice. Clients are encouraged to seek advice from an independent tax advisor.

Clients who engage Prospect Financial Group for financial planning services should be aware that a conflict exists between the interests of the investment adviser and the interests of the client. The client is under no obligation to act upon the investment adviser's recommendation. If the client elects to act on any of the recommendations, the client is under no obligation to engage Prospect Financial Group for investment management or other follow-on services.

#### *Implementation Support*

If requested by the client, Prospect Financial Group may recommend the services of other professionals for implementation purposes. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Prospect Financial Group LLC. If a client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

#### *Retirement Plan Advisory Services*

Prospect Financial Group may advise small business retirement plans. For such clients Prospect Financial Group may assist the plan in selecting a recordkeeper, creating an investment policy statement, selecting investments, monitoring investments, and providing participant education.

#### *Wrap Fee Programs*

Prospect Financial Group LLC does not participate in wrap fee programs.

#### *Client Assets*

As of December 31, 2020, Prospect Financial Group LLC managed \$116,900,000 in client assets on a discretionary basis and \$2,200,000 in client assets on a non-discretionary basis. Prospect Financial Group LLC also advised on \$11,600,000 in non-regulatory assets.

### **ITEM 5: FEES AND COMPENSATION**

#### *Investment Advisory Services*

Fees for investment advisory services are based on a percentage of assets under management. The fee schedule as of January 1, 2019 is as follows:

<b>Assets Under Management</b>	<b>Base Fee (Per Annum)</b>	<b>Plus Percentage</b>	<b>Of Assets Under Management Over</b>
\$0 to \$500,000	\$5,000		
\$500,000 to \$1,000,000	\$5,000	1%	\$500,000
\$1,000,000 to \$5,000,000	\$10,000	0.50%	\$1,000,000
\$5,000,000 to \$10,000,000	\$30,000	0.25%	\$5,000,000
Over \$10,000,000	\$42,500	0.125%	\$10,000,000

Fees are billed quarterly based on the value of assets at the end of the quarter. The minimum fee is \$5000 per annum or \$1250 per quarter. For clients with assets under management less than \$500,000, fees may exceed 1% of assets under management, and other advisors may provide similar services to these clients for a lower fee. In no case will fees exceed industry standards for clients accepted by the advisor.

Additional asset-based fees may apply to accounts with optional services, such as separate account management and trading of held-away assets through an order management system. Prospect Financial Group LLC will bill separately for any services provided outside the scope of the investment supervisory engagement at a rate of \$250 per hour.

Prospect Financial Group LLC deducts fees from client accounts if the client has authorized an independent custodian to debit fees. Clients should be aware that it is their responsibility to verify the accuracy of the fee calculation and that the custodian will not determine whether the

fee is calculated accurately. Clients may request in writing to be billed for fees if they prefer to pay by check. Fees must be paid within 30 days.

Clients will also incur brokerage and other expenses in connection with investment advisory services. The custodian may impose trading fees on the purchase of securities or redemption fees on the sale. Mutual funds and exchange traded funds will generally include a management fee, other fund expenses, and possibly a distribution fee or sales charge. Please see the Brokerage Practices section of this brochure. The trading fees and mutual fund expenses are paid to the custodian or mutual fund. Prospect Financial Group LLC does not accept compensation for the sale of securities or other investment products.

If an independent third-party advisor is utilized for the separate account management as described earlier in Item 4 on Advisory Business, that advisor can charge fees in addition to Prospect Financial Group's. All fees and expenses charged by separate account manager are separate and distinct from those charged by Prospect Financial Group LLC and are withdrawn from the client's account by the separate account manager. Prospect Financial Group LLC does not receive any fees or payments from separate account managers. Prospect Financial Group LLC will review the aggregate fee charged by both Prospect Financial Group LLC and the selected separate account manager to ensure it will be fair and reasonable and will be competitive with those fees customarily charged in the industry for similar services.

#### *Financial Planning Services*

Financial planning services are provided for a retainer, fixed fee, or hourly fee of \$250 per hour. Retainer fees are billed quarterly at the start of the quarter based on the client's net worth. Retainers typically range from \$5000 to \$7500 for the first year and \$2500 to \$3750 per annum thereafter. Fixed fees for financial plans are typically \$5000 but may vary based on the component services included and the complexity of the client situation. In fixed fee arrangements, fees and payment schedules are specified in a client contract, which typically requires a 50% deposit with the remainder due upon delivery of the plan. Clients will receive a full refund if the contract is terminated within five business days after entering into the contract.

#### *Retirement Plan Advisory Services*

Fees for retirement plan advisory services are based on a percentage of assets within the plan. Rates are negotiable and vary based on the nature, scope, and frequency of our services as well as the size and complexity of the plan. Typically, the plan sponsor instructs the recordkeeper or custodian to automatically deduct fees from participant's accounts, but we may invoice the plan sponsor upon request.

#### *Contract Terms*

All fees are negotiable. Clients may terminate any investment advisory or financial planning contract at any time by giving written notice.

### **ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Prospect Financial Group LLC does not accept performance-based fees – that is, fees based on a share of capital gains or capital appreciation of the assets of a client.

## **ITEM 7: TYPES OF CLIENTS**

Prospect Financial Group LLC provides investment advice to individuals and high net worth individuals, including their personal trusts and estates, as well as retirement plans. Prospect Financial Group LLC does not have any requirements for opening or maintaining an account.

## **ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

Prospect Financial Group LLC recommends a strategic asset allocation based on the client's risk tolerance, investment time horizon, and its chances of meeting the client's investment goal. Prospect Financial Group LLC then recommends one or more mutual funds, exchange traded funds, or separately managed accounts to represent each asset class or sub-asset class in the portfolio. The portfolio may include actively managed funds, passively managed (or index) funds, or both. In selecting funds, Prospect Financial Group LLC relies on historical analysis, third party analyst reports, financial newspapers and magazines, annual reports, and prospectuses and considers factors such as management experience, investment strategy, historical risk-adjusted return, fund expenses, and after-tax returns (for taxable accounts). Portfolio performance is tracked relative to a benchmark portfolio. Portfolios are rebalanced when the allocation to an asset class differs significantly from the target, usually after one year or more.

Prospect Financial Group LLC's investment strategy and methods of analysis involve the following risks:

- **Strategic Asset Allocation:** While strategic asset allocation may buffer the losses resulting from any particular security, market sector, or asset class, there is a risk that the client portfolio may not participate in sharp increases in a particular security, market sector, or asset class. In addition, when significant domestic or global economic events occur, asset classes tend to perform in closer synchronization with each other, which can result in severe losses in more than one asset class during these times. Client portfolios may experience severe losses at times.
- **Historical Analysis:** The selection of mutual funds and exchange traded funds rely heavily on past performance. As in all securities investments, past performance does not guarantee future results and there is a risk that funds will not perform as well as they may have in the past.
- **Mutual Funds and Exchange Traded Funds:** When using mutual funds and exchange traded funds, there is a risk that that a fund manager may deviate from the stated or past investment strategies, which could cause the fund to perform below expectations or be less appropriate for the client's portfolio. When actively managed funds are used, there is the added risk that the fund will underperform more diversified counterparts.
- **Separate Account Management:** Separately Managed Accounts use portfolio optimization software to implement an index or active strategy, but performance may differ, perhaps even significantly, from the target strategy due to account size, investment restrictions, and tax considerations.

Investing in securities involves a risk of loss of principal (the invested amount) and unrealized gains (the gains that have not been sold to "lock in" the profit). Stock and bond markets fluctuate significantly over time, and clients should be aware that the risk of loss increases with the allocation to stocks, real estate, and commodities relative to cash and bonds. Prospect Financial Group LLC cannot guarantee that the investments selected will perform as

anticipated, that they will provide adequate funds to meet the client's goal, or that they will not experience a loss. Before clients invest, they should understand the risks that apply to their portfolio and be prepared to bear the risk of loss.

#### **ITEM 9: DISCIPLINARY INFORMATION**

Prospect Financial Group LLC and Gillian Curran have not been involved in any legal or disciplinary events that are material to a client's or prospective client's evaluation of the advisory business or the integrity of its management.

#### **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Prospect Financial Group LLC and Gillian Curran are not registered (and do not have applications pending registration) as a securities broker-dealer, a futures commission merchant, commodity pool operator, a commodity trading advisor.

Prospect Financial Group LLC and Gillian Curran do not have any arrangements with a related person that are material to its advisory business or its clients.

Prospect Financial Group LLC may refer clients to insurance brokers, mortgage lenders, accountants, and other financial advisors, but they do not accept direct or indirect compensation for these referrals. From time to time, Prospect Financial Group LLC may receive small gifts of appreciation that are considered too small to pose a material conflict of interest. Please see Item 14 on Client Referrals and Other Compensation in this brochure.

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

Prospect Financial Group LLC will provide a copy of its code of ethics to any client or prospective client upon request. According to its code of ethics, Prospect Financial Group LLC and its employees will act in the best interest of clients, fully disclose any material facts including conflicts of interest, maintain and improve professional competence, and preserve the privacy of clients.

Before entering or renewing an advisory contract with a client, Prospect Financial Group LLC will disclose in writing any known material conflicts of interest regarding the adviser, its representative or its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

Prospect Financial Group LLC and its related persons may buy or sell securities that they also recommend to clients and will try to avoid conflicts when this situation occurs. When Prospect Financial Group LLC or a related person are trading a security for a client (or clients) and itself in close proximity (i.e., on the same day and at the same time), they generally will place the client trade(s) first unless the security is a mutual fund or they are otherwise instructed by the client. Should a conflict occur because of materiality (i.e., a thinly traded stock), Prospect Financial Group LLC will disclose the conflict to the client(s) at the time of trading. Prospect Financial Group LLC will not disclose incidental trading if it is not deemed to be a conflict, such as a purchase or sale of a mutual fund or of a position which is minimal in relation to the total outstanding value (and as such would have negligible effect on the market price).



Prospect Financial Group LLC and its related persons do not recommend to clients or buy or sell for client accounts securities in which it has a material financial interest.

## **ITEM 12: BROKERAGE PRACTICES**

Prospect Financial Group LLC generally recommends TD Ameritrade Institutional as a broker-dealer or American Funds CollegeAmerica as a college savings plan to clients. The selection of a broker-dealer or custodian is ultimately the client's decision.

Prospect Financial Group LLC receives from these custodians, without cost, computer software and related systems support, which allow Prospect Financial Group to better monitor client accounts. In addition, Prospect Financial Group LLC receives the following benefits: receipt of duplicate client confirmations and statements; access to a trading desk and customer service support; ability to have investment advisory fees deducted directly from client accounts; access to software tools for order entry and accessing client account information; access to block trading services that provide the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and discounts on software and other products or services from TD Ameritrade's affiliates.

Charges that clients pay in connection with trades at TD Ameritrade Institutional may be higher or lower than charges or commissions that clients may pay if transactions were executed at other broker-dealers. Each client is responsible for evaluating the broker-dealer's services and determining whether to direct account transactions to them is in the client's best interest.

Clients should be aware that Prospect Financial Group LLC may have limited ability to service their account if they chose a custodian other than TD Ameritrade Institutional or American Funds. Clients may also pay higher commissions for mutual funds if they chose another custodian. At TD Ameritrade Institutional and American Funds, mutual fund commissions may be lowered or waived, and clients may have access to lower cost share classes than those available to them at other custodians. Certain mutual funds may only be available to clients at TD Ameritrade Institutional, because they are generally closed to the public or may only be purchased by approved advisors. Prospect Financial Group reserves the right to decline acceptance of any client account held at custodian that it has reason to believe will not provide the most favorable execution of client transactions, adequate investment selection, and/or impact its ability to service the client account.

Prospect Financial Group LLC may aggregate orders when purchasing or selling the same exchange-traded security for more than one client at the same time. Clients may benefit from economies of scale, and this practice may provide us with operational efficiencies to allow more time for customer service and rendering advice.

Prospect Financial Group LLC may also refer clients to brokers for insurance products. Clients who purchase insurance products through these insurance brokers may pay commissions higher than those obtainable from other brokers or no load, direct providers. Prospect Financial Group LLC encourages clients to compare the costs and products available from brokers to those available from other providers. Prospect Financial Group LLC recommends insurance brokers based primarily on their knowledge of insurance products and the quality of their client service as long as the broker's commissions are comparable to other local brokers.

### **ITEM 13: REVIEW OF ACCOUNTS**

Prospect Financial Group LLC performs quarterly reviews for clients who engage in a contract for regular investment advice. Interim reviews may be triggered by a withdrawal, new investment, or significant life changes for the client, such as a change in employment, a change in marital status, or a death in the family. Contracts for financial plans and other project-based services do not involve regular account reviews, but clients may engage those services separately. Gillian Curran performs all reviews for clients.

As part of each quarterly review, Prospect Financial Group LLC provides the client with a written report covering the assets under its management. The report aggregates assets into a portfolio, comparing the returns, risk profile, and composition of the aggregate holdings to a benchmark portfolio. Returns may be time-weighted. The benchmark portfolio is comprised of market indices weighted according to the client's time horizon and risk tolerance.

### **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

Prospect Financial Group LLC does not provide any direct or indirect compensation to anyone for client referrals.

Prospect Financial Group LLC may also refer clients to insurance brokers, mortgage lenders, accountants, and other financial advisors. Prospect Financial Group LLC and Gillian Curran do not receive compensation for these referrals. From time to time, they may receive small gifts of appreciation that are considered too small to pose a material conflict of interest.

Prospect Financial Group LLC may receive investment newsletters, educational materials for clients, continuing education, and other business support from mutual fund companies whose products Prospect Financial Group LLC recommends to clients.

### **ITEM 15: CUSTODY**

Client assets are held at an independent custodian selected by the client. Prospect Financial Group LLC does not take physical custody of any client assets but may take custody of client funds by directing custodians to debit fees or to transfer funds from client accounts to third parties under certain conditions.

To protect client funds, Prospect Financial Group LLC only debits fees from client accounts when authorized by the client in writing, and the custodian sends account statements directly to clients on a quarterly or more frequent basis. The statements will show the amount of management fees debited from the client accounts. Clients are urged to review these statements carefully and compare them to the written reports and invoices provided by Prospect Financial Group LLC.

Prospect Financial Group LLC transfers client funds to third parties only when the client has provided a Standing Letter of Authorization (SLOA) to the custodian, which includes the third party's name and address or bank details. The custodian must have policies and procedures to verify the instructions, notify the client after each transfer is made, allow the client to terminate or change the instructions, restrict us from altering the instructions, and send initial and annual notices confirming the instructions. Prospect Financial Group LLC maintains records of all SLOAs, which indicate that the third party is not related to or located at the same address of the adviser.

**ITEM 16: INVESTMENT DISCRETION**

Prospect Financial Group LLC may accept discretionary authority to manage security accounts on behalf of clients. This discretion includes the authority, without prior notice to the client, to buy and sell securities for client accounts and to hire or terminate a third-party investment manager but does not include the authority to select a broker-dealer or custodian. Prospect Financial Group LLC will accept discretionary authority for client accounts only if the client has granted this authority in the investment advisory contract and executed a limited power of attorney with the custodian that allows Prospect Financial Group LLC to trade on the client's behalf. Clients may impose reasonable restrictions on this authority if submitted to us in writing and accepted by us.

**ITEM 17: VOTING CLIENT SECURITIES**

As a matter of firm policy, Prospect Financial Group LLC does not vote proxies on behalf of clients. Clients will receive their proxies and other solicitations directly from their custodian. If you have questions concerning a proxy statement you have received, you may contact Prospect Financial Group LLC, and the firm will provide information about the securities you hold and the dates on which you acquired those securities. Any voting of securities will be the sole responsibility of the client.

**ITEM 18: FINANCIAL INFORMATION**

Prospect Financial Group LLC does not take receipt of more than \$1,200 in fees, per client, six months in advance. Because Prospect Financial Group LLC may accept discretionary authority to manage security accounts on behalf of clients, it is required to disclose any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. At this time, Prospect Financial Group LLC is not subject to any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. In addition, Prospect Financial Group LLC has not been the subject of a bankruptcy petition.

## **BROCHURE SUPPLEMENT GILLIAN EDGAR CURRAN**

Prospect Financial Group LLC  
3617 North Albemarle Street  
Arlington, Virginia 22207  
(703) 863-7664  
[www.prospect-group.com](http://www.prospect-group.com)

March 16, 2022

*This brochure supplement provides information about Gillian Edgar Curran that supplements the Prospect Financial Group LLC brochure. You should have received a copy of that brochure. Please contact Gillian Edgar Curran, President of Prospect Financial Group LLC, if you did not receive Prospect Financial Group LLC's brochure or if you have any questions about the contents of this supplement.*

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

## **ITEM 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE**

Gillian Edgar Curran  
President  
Born 1971

### *Education*

- Georgetown University Center for Professional Development, Executive Certificate in Financial Planning (2004)
- Stanford University Graduate School of Business, M.B.A. (1999)
- Princeton University, B.S.E. (1994)

### *Business Background*

- Prospect Financial Group LLC, President (12/2004-present)
- HelloBrain, Senior Product Manager (2000-2002)
- TradeInteriors.com, CEO and Co-Founder (1999-2000)
- Mercer Management Consulting, Associate (1994-1997)

### *Professional Designation*

CERTIFIED FINANCIAL PLANNER™

The CERTIFIED FINANCIAL PLANNER™ designation is a certification offered by the CFP Board to financial planners. To earn the right to use the designation, candidates must meet four requirements: a bachelor's degree and education on a set of financial planning topics; a passing grade on the Certification Examination; three full-time years of relevant financial planning experience; and adherence to CFP Board's Code of Ethics and Professional Responsibility, Rules of Conduct and Financial Planning Practice Standards.

## **ITEM 3: DISCIPLINARY INFORMATION**

Gillian Curran has not been involved in any legal or disciplinary events material to a client's or prospective client's evaluation of her.

## **ITEM 4: OTHER BUSINESS ACTIVITIES**

Gillian Curran spends approximately 50% of her time on investment advice and 50% on financial planning.

## **ITEM 5: ADDITIONAL COMPENSATION**

Gillian Curran may refer clients to insurance brokers, mortgage lenders, accountants, and other financial advisors. Gillian Curran does not receive economic benefits for these referrals. From time to time, she may receive small gifts of appreciation that are considered too small to pose a material conflict of interest.

## **ITEM 6: SUPERVISION**

Gillian Curran is the President and sole owner of Prospect Financial Group LLC and as such has no internal supervision placed over her. She is however bound by our firm's Code of Ethics.