

Corlett Financial, Inc.

Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of Corlett Financial, Inc. If you have any questions about the contents of this brochure, please contact us at (619) 261-2248 or by email at: ken@corlettfinancial.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 Corlett Financial, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov. Corlett Financial, Inc.'s CRD number is: 289019.

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Registration does not imply a certain level of skill or training.

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Item 2: Material Changes

There have been no material changes in this brochure from the last annual updating amendment of Corlett Financial, Inc. on date March 29, 2022. Material changes relate to Corlett Financial, Inc.'s policies, practices or conflicts of interests.

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Item 4: Advisory Business

A. Description of the Advisory Firm

Corlett Financial, Inc. (hereinafter "CF") is a Corporation organized in the State of California. The firm was formed in June 2017, and the principal owner is Kenneth Corlett.

B. Types of Advisory Services

Portfolio Management Services

CF offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. CF creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

CF evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. CF will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. For clients who do not grant the firm discretionary authority to place trade orders, the firm will secure and maintain evidence of Client's permission prior to effecting securities transactions for the Account. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

CF seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of CF's economic, investment or other financial interests. To meet its fiduciary obligations, CF attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, CF's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is CF's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent, including initial public offerings ("IPOs") and other investment opportunities that might have a limited supply, among its clients on a fair and equitable basis over time.

Financial Planning

Financial plans and financial planning may include, but are not limited to: investment planning; life insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

In offering financial planning, 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, and, if the client elects to act on any of the recommendations, the client is under no obligation to affect the transaction through the investment adviser. This statement is required by California Code of Regulations, 10 CCR Section 260.235.2.

On-going Financial Consulting Services

CF will provide ongoing financial consulting services to clients. These services will be provided for investment, insurance, and financial planning. Annual reviews and/or more frequent reviews such as quarterly reviews, shall update and review the client's objectives and measure the performance of their accounts in relationship to their goals. The reviews can also include portfolio rebalancing, tax loss harvesting, insurance coverage review, as well as other investment and insurance advice.

Services Limited to Specific Types of Investments

CF generally limits its investment advice to mutual funds, fixed income securities, real estate funds (including REITs), insurance products including annuities, equities, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds and non-U.S. securities, although CF primarily recommends mutual funds. CF may use other securities as well to help diversify a portfolio when applicable.

Subscription Services

CF provides emailed newsletters to clients. The newsletters include either a short educational topic that relates to various areas of finances, or, commentary about the economy, citing several current data reports and their sources. There is no additional fee for this service.

C. Client Tailored Services and Client Imposed Restrictions

CF will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by CF on behalf of the client. CF may use model allocations together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions

prevent CF from properly servicing the client account, or if the restrictions would require CF to deviate from its standard suite of services, CF reserves the right to end the relationship.

D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. CF does not participate in any wrap fee programs.

E. Assets Under Management

CF has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$ 20,696,249	\$ 0.00	December 2022

Item 5: Fees and Compensation

A. Fee Schedule

Lower fees for comparable services may be available from other sources.

Portfolio Management Fees

Total Assets Under Management	Annual Fees
\$0 - \$1,000,000	1.00%
\$1,000,001 - \$3,000,000	0.75%
\$3,000,001 - \$5,000,000	0.50%
\$5,000,001 – And Up	0.25%

Portfolio Management fees are based on a tiered fee schedule.

The advisory fee is calculated using the value of the assets in the Account on the last business day of the prior billing period.

These fees are generally negotiable and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Clients may terminate the agreement without penalty for a full refund of CF's fees within five business days of signing the Investment

Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 5 days' written notice.

Financial Planning Fees

Fixed Fees

The negotiated fixed rate for creating client financial plans is between \$600 and \$15,000.

Hourly Fees

The negotiated hourly fee for these services is \$350 per hour.

Clients may terminate the agreement without penalty, for full refund of CF's fees, within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

On-going Financial Consulting Fees

On-going financial consulting fees can be annual flat fees that range from \$600 to \$10,000 per year. They can also be based on net worth, equity values, or asset values and can be calculated based on an agreed upon rate ranging from 0.25% to 1.00%. These fees are negotiable.

B. Payment of Fees

Payment of Portfolio Management Fees

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis, or may be invoiced and billed directly to the client on a quarterly basis. Clients may select the method in which they are billed. Fees are paid in advance.

Payment of Financial Planning Fees

Financial planning fees are paid via check and wire.

Fixed financial planning fees are paid 50% in advance, but never more than six months in advance, with the remainder due upon presentation of the plan.

Hourly financial planning fees are paid 50% in advance, but never more than six months in advance, with the remainder due upon presentation of the plan.

Payment of On-going Financial Consulting Fees

On-going financial consulting fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis, or may be invoiced and billed directly to the client on a quarterly basis. Clients may select the method in which they are billed. Fees are paid in advance.

C. Client Responsibility For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by CF. Please see Item 12 of this brochure regarding broker-dealer/custodian.

D. Prepayment of Fees

CF collects fees in advance. Refunds for fees paid in advance will be returned within fourteen days to the client via check, or return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate* times the number of days elapsed in the billing period up to and including the day of termination. (*The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

For hourly fees that are collected in advance, the fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

E. Outside Compensation For the Sale of Securities to Clients

Kenneth Corlett in his outside business activities (see Item 10 below) is licensed to accept compensation for the sale of insurance products to CF clients.

- This presents a conflict of interest and gives the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of insurance products for which the supervised persons receives compensation, CF will document the conflict of interest in the client file and inform the client of the conflict of interest.
- Clients always have the right to decide whether to purchase CF-recommended products and, if purchasing, have the right to purchase those products through other agents that are not affiliated with CF.
- Commissions are not CF's primary source of compensation for advisory services.

- Advisory fees that are charged to clients are not reduced to offset the commissions or investment products recommended to clients.

Item 6: Performance-Based Fees and Side-By-Side Management

CF does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

CF generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

There is no account minimum for any of CF's services.

Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss

A. Methods of Analysis and Investment Strategies

Methods of Analysis

CF's methods of analysis include Cyclical analysis and Modern portfolio theory.

Cyclical analysis involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Modern portfolio theory is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

Investment Strategies

CF uses long term trading, short term trading and short sales.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Methods of Analysis

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

Modern portfolio theory assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Investment Strategies

CF's use of short sales generally holds greater risk, and clients should be aware that there is a material risk of loss using any of those strategies.

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Short sales entail the possibility of infinite loss. An increase in the applicable securities' prices will result in a loss and, over time, the market has historically trended upward.

Short term trading risks include liquidity, economic stability, and inflation, in addition to the long term trading risks listed above. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

CF's use of short sales generally holds greater risk of capital loss. Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature.

Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

Fixed income investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

Exchange Traded Funds (ETFs): An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed "electronic shares" not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

Real estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt

and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

Annuities are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

Non-U.S. securities present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither CF nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither CF nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Kenneth Corlett is a licensed insurance agent. From time to time, he will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. Corlett Financial, Inc. always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients always have the right to decide whether or not to utilize the services of any Corlett Financial, Inc. representative in such individual's outside capacities.

All material conflicts of interest under Section 260.238 (k) of the California Corporations Code are disclosed regarding the investment adviser, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

CF does not utilize nor select third-party investment advisers. All assets are managed by CF management.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. Code of Ethics

CF has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. CF's Code of Ethics is available free upon request to any client or prospective client.

B. Recommendations Involving Material Financial Interests

CF does not recommend that clients buy or sell any security in which a related person to CF or CF has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of CF may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of CF to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. CF will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

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

From time to time, representatives of CF may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of CF to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, CF will never engage in trading that operates to the client's disadvantage if representatives of CF buy or sell securities at or around the same time as clients.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

Custodians/broker-dealers will be recommended based on CF's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and CF may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in CF's research efforts. CF will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

CF will require clients to use TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC.

1. Research and Other Soft-Dollar Benefits

While CF has no formal soft dollars program in which soft dollars are used to pay for third party services, CF may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). CF may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and CF does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. CF benefits by not having to produce or pay for the research, products or services, and CF will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that CF's acceptance of soft dollar benefits may result in higher commissions charged to the client.

2. Brokerage for Client Referrals

CF receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker/Dealer/Custodian to Use

CF will require clients to use a specific broker-dealer to execute transactions. Not all advisers require clients to use a particular broker-dealer.

B. Aggregating (Block) Trading for Multiple Client Accounts

If CF buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, CF would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. CF would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

Item 13: Review of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

All client accounts for CF's advisory services provided on an ongoing basis are reviewed at least Quarterly by Kenneth A Corlett, Principal, with regard to clients' respective investment policies and risk tolerance levels. All accounts at CF are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Kenneth A Corlett, Principal. Financial planning clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, CF's services will generally conclude upon delivery of the financial plan.

C. Content and Frequency of Regular Reports Provided to Clients

CF provides a written annual performance report, as able, detailing the client's account including, where the investment account is held, account value, rates of return. Each client of CF's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

Each financial planning client will receive the financial plan upon completion.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

CF participates in the institutional advisor program (the "Program") offered by TD Ameritrade. TD Ameritrade offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. CF receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, CF participates in TD Ameritrade's institutional advisor program and CF may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between CF's participation in the Program and the investment advice it gives to its clients, although CF receives economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving CF participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have CF's fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to CF by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by CF's related persons. Some of the products and services made available by TD Ameritrade through the Program may benefit CF but may not benefit its client accounts. These products or services may assist CF in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help CF manage and further develop its business enterprise. The benefits received by CF or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, CF endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by CF or its related persons in and of itself creates a conflict of interest and may indirectly influence the CF's choice of TD Ameritrade for custody and brokerage services.

B. Compensation to Non – Advisory Personnel for Client Referrals

CF does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Item 15: Custody

When advisory fees are deducted directly from client accounts at client's custodian, CF will be deemed to have limited custody of client's assets. Because client fees will be withdrawn directly from client accounts, in states that require it, CF will:

(A) Possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian.

(B) Send the qualified custodian written notice of the amount of the fee to be deducted from the client's account and verify that the qualified custodian sends invoices to the client.

(C) Send the client a written invoice itemizing the fee upon or prior to fee deduction, including the formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy. Clients are urged to compare the account statements they received from custodian with those they received from CF.

Item 16: Investment Discretion

CF provides discretionary and non-discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, CF generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. In some instances, CF's discretionary authority in making these determinations may be limited by conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to CF).

Item 17: Voting Client Securities (Proxy Voting)

CF will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

CF neither requires nor solicits prepayment of more than \$500 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither CF nor its management has any financial condition that is likely to reasonably impair CF's ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

CF has not been the subject of a bankruptcy petition in the last ten years.

Item 19: Requirements For State Registered Advisers

A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background

CF currently has only one management person: Kenneth A Corlett. Education and business background can be found on the individual's Form ADV Part 2B brochure supplement.

B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)

Other business activities for each relevant individual can be found on the Form ADV Part 2B brochure supplement for each such individual.

C. Calculation of Performance-Based Fees and Degree of Risk to Clients

CF does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

D. Material Disciplinary Disclosures for Management Persons of this Firm

No management person at CF or CF has been found liable in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management.

E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)

See Item 10.C and 11.B.