



Part 2A of Form ADV – Firm Brochure

Item 1 – Cover Page

Firm Brochure

Values Added Financial LLC

1323 Shepherd Street NW Washington, D.C. 20011-5529

Phone: 202-599-0915

Website: www.valuesadded.com

E-mail: zach@valuesadded.com

August 1, 2023

This firm brochure (“Brochure”) provides information about the qualification and business practices of Values Added Financial LLC (“Values Added Financial”). If you have any questions about the contents of this brochure, please contact us at 202-599-0915 or by e-mail at zach@valuesadded.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.

Values Added Financial LLC is a registered investment advisor. Registration as an investment advisor does not imply any level of skill or training. The oral and written communications of an advisor provide you with information with which you determine to hire or retain an advisor. Additional information about Values Added Financial LLC is available on the SEC’s website at ValuesAddedFinancial.adviserinfo.sec.gov. Values Added Financial LLC’s unique CRD Number is 288912.



Item 2 – Material Changes

No material changes have been made to this Form ADV Part 2A from the version filed March 22, 2023.

We will ensure that all current clients receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our fiscal year. A summary of material changes is also included within our Brochure found on the SEC's website at [Values Added Financial.adviserinfo.sec.gov](http://ValuesAddedFinancial.adviserinfo.sec.gov). The searchable CRD number for Values Added Financial LLC is set forth on the cover page of this Brochure. Clients will further be provided with disclosure about material changes affecting our firm or a new Brochure, as may become necessary or appropriate at any time, without charge.

Currently, our Brochure may be requested, free of charge, by contacting Zachary Teutsch at (202) 599-0915, or by email to zach@valuesadded.com.



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	8
Item 6 – Performance-Based Fees and Side-By-Side Management	12
Item 7 – Types of Clients	12
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	12
Item 9 – Disciplinary Information	16
Item 10 – Other Financial Industry Activities and Affiliations	16
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	17
Item 12 – Brokerage Practices	18
Item 13 – Review of Accounts	21
Item 14 – Client Referrals and Other Compensation	22
Item 15 – Custody	22
Item 16 – Investment Discretion	22
Item 17 – Voting Client Securities	23
Item 18 – Financial Information	23



Item 4 – Advisory Business

A Values Added Financial LLC (“Values Added Financial,” “we,” “us,” “our,” and “firm”) is an SEC registered fee-only financial planning firm that specializes in providing comprehensive financial planning and investment advisory services to individuals, families and organizations. Values Added Financial is owned and operated by Zachary Teutsch and Ari Weisbard and began business in 2017. Our offices are located in Washington, D.C.

Values Added Financial’s advisory services are tailored to meet each client’s (the terms “client,” “you,” and “your” are used throughout this brochure to refer to you as a client or prospective client of our firm) unique investment, risk management, retirement planning, cash management, recordkeeping, tax planning, estate planning, business development, student loan management, and goal setting needs. We primarily offer advice concerning publicly traded securities, real estate, and defensive options related to protecting concentrated securities positions. From time-to-time, we may also advise you on non-securities investments, such as currencies.

We offer the following advisory services:

Comprehensive Financial Planning and Investment Management Services

A comprehensive financial planning engagement provides financial planning over the course of one year. Values Added Financial attempts to break down financial planning into manageable pieces to encourage you to follow through with our recommendations and steadily progress toward your financial goals. Clients will typically address four to six key topics during the Initial Year (see below) of services, depending on their individual financial circumstances, and will generally receive two to three scheduled follow up meetings to further address these topics and others, as appropriate, during subsequent years (see below). Meetings are typically conducted by secure remote meeting technology, depending on your availability and preference. In addition to scheduled meetings, additional face-to-face, e-mail, and/or phone consultations are included at no additional charge.

Initial Year of Engagement: Examples of scheduled meeting topics are listed below. As part of our comprehensive financial planning services, we will schedule meetings to cover topics relevant to your unique financial situation, including some or all of the following, as applicable:

- Organizing Your Finances
- Vision and Building Your Roadmap
- Investment Strategy, Alignment, and Ongoing Management
- Estate Planning
- Tax Planning
- Spending Planning
- Retirement Projection
- Charitable Giving
- Risk Management and Insurance



Values Added®

- Education Planning
- Equity Compensation
- Real Estate
- Major Purchases
- Job Transitions / Sabbaticals
- Inheritance
- Sale of a Company
- Marriage
- Retirement
- Growing a Family

Subsequent Years: In subsequent years, meetings are generally less frequent, and topics are often combined. The focus of meetings also shifts as initial tasks are completed and changes occur in the client's financial circumstances and stage of the financial lifecycle. Scheduled meetings in Renewal Years typically cover topics such as the following:

- investment review/update;
- cash flow and budgeting review;
- goal setting review;
- tax planning;
- rebalancing of assets; and
- other financial planning and/or financial services as requested or needed by the client.

In the course of a comprehensive financial planning engagement, we will periodically review your investments to help ensure there is adequate asset diversification and an overall allocation of assets that meets with your unique investment goals, risk profile, and time horizon for investments. We will also offer advice intended to reduce your investment expenses, where beneficial and practical to do so.

We are also in the business of managing investment portfolios for our clients. After we make initial recommendations for client investments, our firm provides continuous ongoing supervisory management and advice to a Client regarding the investment of Client funds based on the individual needs of the Client. We will also review and discuss a Client's prior investment history, as well as family composition and background. All investment advice is customizable, with each account managed according to the investment objectives, needs, guidelines, risk tolerance, and other information as provided by the Client. This begins through gathering information from each Client. Based upon information received from the Client, the Firm selects appropriate investment opportunities and invests Client assets in various types of mutual funds or securities. Through personal discussions in which goals and objectives based on a Client's particular circumstances are established, we develop a Client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation targets.

Investment management services include, but are not limited to, the following:



Values Added[®]

- Investment Policy and Asset Allocation Strategy
- Individualized Security Recommendations and Implementation
- Regular portfolio monitoring
- Risk Tolerance and Suitability

Values Added may use third-party service providers for portfolio monitoring and rebalancing. These service providers operate within parameters set by Values Added, and they are instructed to consult Values Added regarding any circumstances that the set parameters have not foreseen.

Account supervision is guided by the stated objectives of the Client (e.g., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Fees pertaining to this service are outlined in Item 5 of this brochure.

Use of Third-Party Managers, Outside Managers, or Sub-Advisers (TAMPs)

We offer the use of Third-Party Managers, Outside Managers, or Sub-Advisers (TAMPs) for portfolio management services. We assist Clients in selecting an appropriate allocation model, completing the sub-advisors investor profile questionnaire, interacting with the sub-advisor and reviewing the sub-advisor. Our review process and analysis of outside managers is further discussed in Item 8 of this Form ADV Part 2A. Additionally, we will meet with the Client on a periodic basis to discuss changes in their personal or financial situation, suitability, and any new or revised restrictions to be applied to the account. Fees pertaining to this service are outlined in Item 5 of this brochure.

Business Consulting Services

We offer business consulting services, which involves the consulting for small to mid-sized businesses. These services also include financial planning, business strategy, tax optimization strategy, estate planning, cash flow and debt management, review of accounting services such as bookkeeping, payroll, and entity annual filings. We do not provide bookkeeping and payroll services directly, nor do we directly execute required business filings. When applicable, clients may be advised to consult with an accountant or tax advisor.

Project-based financial planning

If a comprehensive financial planning relationship is not desired or practical, we may instead offer to enter into a Financial Strategy Intensive or other Project-based financial planning agreement. Project-based services are narrower in scope and usually focus on one or more of the financial topics that might be covered under a Comprehensive Financial Planning relationship (see the above list). The service includes various client consultations as well as written and/or oral recommendations resulting from such consultations. After delivery of our recommendations to the client, a follow up telephone call or email is provided within thirty (30) days to provide further



clarification regarding the implementation of any recommended actions. The engagement is then considered complete, and no further update or review of our recommendations is provided (unless we are separately engaged for such additional services and paid an additional fee).

Single-Session Offerings

Single Session Offerings include an in-person, email-based, video conference, or telephonic pre-meeting to identify the financial issues and topics of concern most pressing to the client followed by a meeting in-person, via video conference, or telephone which focuses on 1-3 financial planning topics selected in advance by the client. We also offer additional pre-formulated sessions which cover topics such as buying a home, actions to take in anticipation of becoming a parent, beginning a new job, and other similar topics. A Single-Session Retainer does not include ongoing financial or investment advice or implementation assistance beyond brief emailing with the firm, offered at our sole discretion, which is limited to providing further clarification regarding the implementation of the actions recommended during the Single-Session engagement.

Educational Presentations, Seminars, and Workshops

These services consist of educational presentations, seminars, or workshops or other educational events in which Values Added Financial or its representatives provide financial education to a targeted audience. In some cases, these events are organized exclusively by Values Added Financial and in others a representative of Values Added Financial is invited to participate as one of the speakers at a presentation or workshop conducted by another organization, such as a synagogue, alumni association, or library. Such educational activities do not provide ongoing financial or investment advice or implementation assistance in between sessions or after the conclusion of a series of sessions.

Pension and Profit-Sharing Plan Services

Our firm provides employee benefit plan services to employer plan sponsors on an ongoing basis. Generally, such services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure, and participant education.

In providing employee benefit plan services, our firm does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, "Excluded Assets").

B, C For all engagement types, we will enter into a written advisory agreement with you that details the scope of our advisory relationship, the applicable fees for our services, and the respective rights, obligations, and responsibilities of each party in connection with the engagement. We tailor all advice and services to your stated investment objectives and financial circumstances.



We will discuss with you in detail critically important information such as your risk tolerance, investment experience, time horizon, personal values and goals, and projected future needs, to formulate a customized investment policy. This policy guides us in objectively and suitably managing your account. Clients may impose reasonable restrictions on investing in certain securities or types of securities. We consider such restrictions when preparing the investment strategy and in making recommendations for your account.

D We do not participate in any wrap-fee programs.

E As of December 31, 2022, Values Added Financial managed \$124,415,194 in client assets on a discretionary basis and \$243,533 client assets on a non-discretionary basis.

Item 5 – Fees and Compensation

A, B The advisory fees we charge in connection with each of our advisory services are set forth in this Item 5. Fees for all of our services are negotiable and materially different rates and fee arrangements may be negotiated with individual clients due to factors such as complexity, the client's unique financial needs, relationships with other clients or employees of our firm, our expectation of future assets under advisement/management, and any other factors we deem relevant.

Comprehensive Financial Planning and Investment Management

We offer comprehensive financial planning and investment management services to our clients. Our fee has two components: one based on the size of the portfolio we manage for you and the other is based on the complexity of your other financial planning needs.

Component 1:

We charge an annual Assets Under Management ("AUM") Fee at a rate not to exceed 1.00% of the market value of your account on the first \$3 million of AUM, 0.75% on AUM from \$3 million up to \$6 million, and 0.50% on AUM above \$6 million. For example, the quarterly fee for a client with AUM of \$5 million is calculated as follows: $((\$3,000,000 \times 1.00) + (\$2,000,000 \times 0.75\%)) / 4 = \$11,250$. Some legacy clients may pay a lower fee.

The annual fees are negotiable, prorated and, after the initial funding period, paid in advance on a quarterly basis, and shall be prorated for any partial billing periods. The initial fee for new clients will be prorated and billed in arrears at the end of the quarter or partial quarter, based on the value of the account as determined by the custodian at the close of the quarter. That same value will be used for the subsequent quarter's billing, with fees to be paid in advance from that point going forward. Our AUM Fees will be adjusted at the end of the period for mid-period net inflows and outflows of capital to or from your accounts during any billing cycle. Fees for this service are deducted directly from the client's account at the custodian, and the client authorizes this direct



deduction. Clients may terminate this service at any time written notice. Upon termination, any unearned fees are prorated and refunded to you.

When a Sub-Adviser is utilized, the Management Fees will be automatically debited from each Client Account and remitted to the Sub-Adviser on a quarterly basis. For Client Accounts for which Management Fees are not debited by the custodian, the Sub-Adviser will send the Adviser an invoice on a quarterly basis setting forth the amount of the Management Fee owed for such period. Upon reasonable request, the Sub-Adviser shall provide Adviser with such further information regarding the calculation of the Management Fee. For accounts managed by the sub-adviser, the client fee will be calculated (unless otherwise specified in a signed written agreement between the client and the submanager) by averaging the daily account balance (using the closing market value) of each account calculated over the prior calendar quarter, as set forth on the records maintained by the applicable custodian. For Client Accounts opened or closed during the quarter, the average daily account balance will be prorated for the number of days the account was open during the quarter. Clients will authorize the Sub-Advisor services, terms and conditions, and fee amount by signing an addendum to their client agreement that outlines the fee amount, terms, and conditions associated with use of the sub-adviser.

Trust and Estate Planning Services may be included in the Investment Management Fee.

Component 2:

We charge a comprehensive financial planning fee that's based on the needs of the client. Fees for Comprehensive Financial Planning engagements are paid quarterly in advance and start at the annual rate of \$6,000 per individual, \$8,000 for a couple, and \$10,000 for business or rental property owners. The annual fee is negotiable, will not exceed \$80,000, and will be based upon clients' specific situations, the complexity of their needs, and the approximate value of held-away assets that are advised upon but not directly managed on a discretionary basis.

The specific Financial Planning Fixed Fee you will pay will be set forth in a written agreement entered at inception and is based upon a variety of factors including, without limitation, your income level, the nature and amount of your assets under our advisement, our expectation of the time and resources required to provide you with services, and the complexity of your financial situation. Trust and Estate Planning Services may be included in the Comprehensive Financial Planning fee.

Our Comprehensive Financial Planning Fees may be adjusted upwards or downwards in Renewal Years based upon changes in your financial circumstances and needs, if any (see below), and other factors. ***Changes in our Financial Planning Fee will only take effect upon your written acceptance of such changes.*** In no event will Values Added Financial require prepayment of more than \$1,200 in fees per client, six months or more in advance. Clients may terminate this service at any time with written notice. Upon termination of this service, any unearned fee will be prorated and returned to you. Fees for Comprehensive Financial Planning services are deducted directly from the account at



the custodian if agreed to by the client and otherwise are invoiced to the client and may be paid by check or another mutually agreeable electronic payment method (EFT, credit card, online platform, etc.). Any fees paid by credit card may be subject to a convenience fee equal to the payment processing charge Values Added Financial incurs.

Trust and Estate Planning Services may be included in the Comprehensive Financial Planning Management Fee.

Pension and Profit-Sharing Plan Services

We charge an annual AUM Fee at a rate not to exceed 1.00% of the market value of your account. The annual fees are negotiable, prorated and, after the initial funding period, paid in advance on a quarterly basis, and shall be prorated for any partial billing periods. The AUM fee for the first full or partial quarter during which accounts are funded is calculated and paid in arrears based on the value of the Client's account as determined by the Custodian at the close of that quarter. The fee for any partial billing period will be pro-rated as of the date services commenced. Fees for this service are deducted directly from the account at the custodian. Clients may terminate this service at any time with written notice. Upon termination, any unearned fees are prorated and refunded to you.

Business Consulting Services

Business owners pay a separate business consulting fee range between \$1,000-\$5,000 per quarter, paid quarterly in advance. Clients may terminate this service at any time with written notice. Upon termination of this service, any unearned fee will be prorated and returned to you. Fees for Business Consulting Services are deducted directly from the account at the custodian if agreed to by the client and otherwise invoiced to the client and may be paid by check or another mutually agreeable electronic payment method (EFT, credit card, online platform, etc.). Any fees paid by credit card may be subject to a convenience fee equal to the payment processing charge Values Added Financial incurs.

Project-based Financial Planning

We typically charge fixed fees for Project-based financial planning services that range from \$0 - \$20,000 per engagement. In rare cases, we may charge hourly fees that range from \$0 - \$600 per hour for specific project requests. The specific fee arrangement with the client will be set forth in a written advisory agreement and is determined in our sole discretion based upon a variety of factors including, without limitation, your income level, the selected financial topics, our expectation of the time and resources required to provide you with services, and the complexity of your financial situation. Clients are billed directly, and fees are generally due in one or two installments: one-half upon execution of the agreement and one-half upon completion. Fees are invoiced and may be paid by check or another mutually agreeable electronic payment method (EFT, credit card, online platform, etc.). Any fees paid by credit card may be subject to a convenience fee equal to the payment



Values Added®

processing charge Values Added Financial incurs. In no event will Values Added Financial require prepayment of more than \$500 in fees per client, six months or more in advance.

Single-Session Offering Fees

We typically charge fixed fees for Single-Session Offerings that range from \$0 - \$1,200 per engagement. The specific fee arrangement with the client will be set forth in our written advisory agreement and is determined in our sole discretion based upon a variety of factors including, without limitation, your income level, the selected financial topics, our expectation of the time and resources required to provide you with services, and the complexity of your financial situation. Clients are billed directly, and the fee is due in full at the time of the Financial Fitness Review. At our sole discretion, fees may be paid in two installments: one-half upon execution of the agreement and one-half upon completion. Fees are invoiced and may be paid by check or another mutually agreeable electronic payment method (EFT, credit card, online platform, etc.). Any fees paid by credit card may be subject to a convenience fee equal to the payment processing charge Values Added Financial incurs. In no event will Values Added Financial require prepayment of more than \$500 in fees per client, six months or more in advance.

Educational Presentations, Seminars, and Workshops

Some events of this type are free and done as part of Values Added Financials' commitment to community engagement and public service. Others involve a fee charged to participants or host organizations, which is typically between \$1 - \$1,000, depending on the topics to be covered, the number of sessions, the length of sessions, and the target audience. Participants or organizations are billed directly, and the fee is due in full at the time of the presentation, seminar, or workshop. At Values Added Financials' discretion, fees may be paid in multiple installments. Fees are invoiced and may be paid by check or another mutually agreeable electronic payment method (EFT, credit card, online platform, etc.). Any fees paid by credit card may be subject to a convenience fee equal to the payment processing charge Values Added Financial incurs. In no event will Values Added Financial require prepayment of more than \$500 in fees per client, six months or more in advance.

C In addition to Values Added Financials' advisory fees, clients may incur certain other fees and charges to implement Values Added Financials' investment recommendations. Additional charges and fees may be imposed by custodians, brokers, and other third parties, such as fees charged by third party money managers. Clients will also separately incur custodial fees, brokerage commissions, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic funds fees, and other fees and taxes associated with transactions in their account at their selected custodian. (See Item 12 for more information). Mutual funds and exchange-traded funds also charge internal management fees which are disclosed in the fund prospectus. Such charges, fees, and commissions are exclusive of and in addition to our advisory fees. Clients may be additionally responsible for the costs of certain extraordinary out-of-pocket expenses incurred by us in providing services, including expenses such as abnormal shipping costs and travel expenses for out-of-town in-person meetings requested by the client.



D You may terminate an engagement for any of our services without penalty by providing written notice of termination within five days of signing an advisory agreement with our firm. Thereafter, either party may terminate an advisory agreement for any reason, at any time, with written notice. Any pre-paid but unearned fees will be promptly refunded to the client by Values Added Financial on a pro-rata basis. Any fees that have been earned but not yet paid by the client shall become due and payable upon termination. For fixed fee engagements, any refund owed to the client shall be based upon our reasonable determination of the proportion of the required work product completed at the time of termination. Our determinations in these matters shall be final and binding upon the client.

E As described above, Values Added Financial is a fee-only financial advisory firm and does not sell investment or insurance products.

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

Values Added Financial does not charge any performance-based fees or engage in side-by-side management of accounts.

Item 7 – Types of Clients

Values Added Financial typically provides advisory services to individuals, high-net-worth individuals, trusts, estates, pension and profit-sharing plans, charitable organizations, partnerships, corporations, and other business entities. The firm values serving a diverse range of clients and therefore strives to work with people from different walks of life. As such, there is no minimum net worth or asset requirement to become a client. As discussed above, the specific relationship advisory relationship and fee applicable to each client's account is based upon the client's unique financial circumstances.

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

A The main sources of information Values Added Financial may rely upon when researching and analyzing specific investments will include traditional research materials such as financial newspapers and magazines, annual reports, prospectuses, and filings with the SEC, as well as research materials prepared by others such as corporate rating services. Values Added Financial may also utilize various professional publications deemed to be consistent with and supportive of Values Added Financials' investment philosophy.

Investment recommendations are considered in the context of the client's unique personal circumstances. Specific factors that we may consider when making an investment recommendation include: overall risk tolerance, risk capacity, tax situation, earnings potential, work status, investment



experience, financial situation, goals and aspirations, personal values, and individual and family circumstances. After identifying these items, portfolios are structured around individual needs, while minimizing negative effects of external factors, such as interest rates, market performance, and the economy as a whole.

Our primary investment focus for long-term growth of capital and income generation is to achieve an acceptable risk/return trade-off based on the client's unique situation through asset allocation and diversification. Values Added Financial seeks to educate clients on this risk/return dynamic and the appropriate level of risk for their given situation.

In general, we recommend no-load mutual funds (i.e., mutual funds that have no sales fees), exchange traded funds, U.S. government securities, money market accounts, certificates of deposit, and individual bonds (corporate, agency, and municipal). However, in the course of providing investment advice, we may address issues related to other types of investments that a client may already own or inquire about. Any other products that may be deemed appropriate for a client will be discussed, based upon individual goals, needs, and objectives.

While we use our best judgment and good faith efforts in rendering services to clients, not every investment decision or recommendation made by the firm will be profitable. **Investments in securities involve risk of loss that clients should be prepared to bear.** Values Added Financial cannot warrant or guarantee any particular level of account performance, or that an account will be profitable over time. Clients assume all market risk involved and understand that investment decisions are subject to various market, currency, economic, political, and business risks.

B Every client's needs and goals are different. Accordingly, investment strategies and underlying investment vehicles may vary. It is the responsibility of each client to give us complete information and to promptly notify us of any changes in financial circumstances or goals. Certain securities laws impose liability under certain circumstances on persons who act in good faith; therefore, the above language does not relieve our firm from any responsibility or liability we may have under state or federal securities laws.

Values Added Financial's investment strategy is based on the following principles:

- The wisest way to control risk and enhance return is through diversification across several different asset classes.
- The client's time horizon, i.e., the time between now and when the client will need the funds being invested, is a crucial factor affecting tolerance for volatility and risk.
- Values Added Financial focuses on things that we can control – maintaining a diversified portfolio, reducing expenses, minimizing taxes, and maintaining investment discipline. We do not believe in timing markets or trying to pick winning stocks.

Values Added Financial's general investment strategies include long-term buy-and-hold with periodic rebalancing of the client's account(s), in conjunction with a proportional equity/fixed-income strategy. The strategy and allocation are determined as appropriate to the financial lifecycle



Values Added[®]

stage, individual considerations, and risk tolerance assessed for each client. As with any investment or strategy, there are risks that must be considered and managed.

Except as may otherwise be provided by state or federal law, we are not liable to clients for:

- Any loss that a client may suffer by reason of any investment decision made or other action taken or omitted in good faith by us with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use;
- Any loss arising from our adherence to a client's instructions; or
- Any act or failure to act by a custodian of a client's account.

A general summary of the risks related to the types of investments we primarily recommend to clients include the following:

Mutual funds are professionally managed collective investment companies that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual or exchange traded funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds generally provide diversification, risks can be significantly increased if: the fund is concentrated in a particular sector of the market; invests primarily in small cap or speculative companies; uses leverage (i.e., borrows money) to a significant degree; or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. Other fund risks include: foreign securities and currency risk, emerging market risk, small-cap, mid-cap and large-cap risk, trading risk, and turnover risk that can increase fund expenses and may decrease fund performance. Brokerage and transactions costs incurred by the fund will reduce returns.

Individual equity securities (also known simply as “equities” or “stock”) are assessed for risk in numerous ways. Price fluctuations and market risk are the most significant risk concerns. As such, the value of your investment can increase or decrease over time. Furthermore, you should understand that stock prices can be affected by many factors including, but not limited to, the overall health of the economy, the health of the market sector or industry of the issuing company, and national and political events. When investing in stock, it is important to focus on the average returns achieved over a given period of time across a well-diversified portfolio.

Individual debt securities (or “bonds”) are typically safer investments than equity securities, but their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and whether or not the bond can be “called” prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

Exchange Traded Funds (“ETFs”) are investment funds traded on stock exchanges, much like stocks or equities. An ETF holds assets such as stocks, commodities, or bonds and trades at approximately the same price as the net asset value of its underlying assets over the course of the trading day. Most ETFs track an index, such as the S&P 500. However, some ETFs are fully



Values Added[®]

transparent actively managed funds. Market risk is, perhaps, the most significant risk associated with ETFs. This risk is defined by the day-to-day fluctuations associated with any exchange traded security, where fluctuations occur in part based on the perception of investors.

C All investing involves the risk of loss, our advisory services generally recommend a broad and diversified use of equities, ETFs, mutual funds, and fixed income securities that do not involve significant or unusual risks because of our broad allocation.

There are a variety of risks when implementing an investment strategy of capital preservation and long-term growth. A general summary of the risks related to this strategy is as follows:

Volatility: One of the main concerns for any type of investing, particularly equity investing, is market volatility. Volatility measures the degree to which prices change over time.

Client Behavior: One of the risks is the client's behavior. A client must be willing and able to hold on to long-term investments without knee-jerk reactions to volatility and without trying to time the market. Analysis shows that investor's investment results continue to be more dependent on investor behavior than on fund performance. This underperformance is driven by a combination of psychological traps, triggers and misconceptions that cause investors to act irrationally and to deviate from a sound and well-defined investment strategy tailored towards their goals, risk tolerance and time horizon.

Tax Considerations: Tax treatment of different investment gains/losses, must be considered in the long-term investment strategy.

Interest rate risk: Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

Credit risk: Credit risk is the possibility of a loss resulting from a borrower's failure to repay a loan or meet contractual obligations. Traditionally, it refers to the risk that a lender may not receive the owed principal and interest, which results in an interruption of cash flows and increased costs for collection.

Inflation risk: Inflation may erode the buying-power of your investment portfolio, even if the dollar value of your investments remains the same.

Call risk: Call risk is the risk that a bond issuer will redeem a callable bond prior to maturity. This means the bondholder will receive payment on the value of the bond and, in most cases, will be reinvesting in a less favorable environment—one with a lower interest rate.

Prepayment risk: Prepayment risk is the risk involved with the premature return of principal on a fixed-income security. When debtors return part of the principal early, they do not have to make



interest payments on that part of the principal. That means investors in associated fixed-income securities will not receive interest paid on the principal.

Liquidity risk: Liquidity risk occurs when an individual investor, business, or financial institution cannot meet its short-term debt obligations. The investor or entity might be unable to convert an asset into cash without giving up capital and income due to a lack of buyers or an inefficient market.

Values Added Financial believes that these risks can be managed and through a well-diversified portfolio.

Item 9 – Disciplinary Information

We are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of our firm or the integrity of our management. Values Added Financial is pleased to note that it has no information to disclose applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Neither Values Added Financial nor any employee of Values Added Financial, are registered, or have an application pending to register, as a broker-dealer, registered representative of a broker-dealer, or a futures commission merchant, commodity pool operator, commodity trader adviser, or an associated person of any of the foregoing.

Zachary Teutsch, Managing Partner, Bridget Patel, Financial Advisor, and Kathryn Kubiak-Rizzzone are members of the Alliance of Comprehensive Planners (“ACP”). ACP is a non-profit organization that provides training and support through an alliance of fee-only comprehensive financial advisors. As a member of ACP, Values Added Financial has the right to use proprietary products and systems designed by the ACP. The ACP offers education in the form of in-person, web-based, and teleconferences (which may provide continuing education credits) and services produced by collaborative efforts of fee-only financial advisors. Ari Weisbard is a member of the XY Planning Network.

Values Added Financial may refer advisory clients to XY Tax Solutions (“XYTS”) for the preparation of income tax returns and/or other accounting needs. Values Added Financial is not affiliated with XYTS and does not receive referral fees or any other form of compensation from XYTS or from any other tax preparer or accountant in exchange for client referrals.

Values Added Financial may refer advisory clients to attorneys for certain legal services. Values Added Financial is not affiliated any law firm and neither pays nor receives referral fees or any other form of compensation from any law firm in exchange for client referrals.



Ari Weisbard is the sole proprietor of the Law Office of Ari Weisbard, which provides legal services related to estate planning, tax planning, and employment law to individual and non-profit clients. On average, Ari Weisbard spends approximately 10-20 hours on these other business activities each month. Clients are never required to engage Ari Weisbard or the Law Office of Ari Weisbard for any legal services.

Trust and Estate Planning services generally do not include any drafting of new trusts and any amendments to your existing estate documents, but in rare instances payment for Ari Weisbard to draft estate documents or amendments for residents of New York or the District of Columbia may be included as part of a contract for investment management and/or comprehensive financial planning services. Even in those cases, Values Added Financial does not provide legal work on estate tax filing, probate or estate settlement processes after clients pass away. If outside referral services are utilized in estate planning, client will pay those services providers directly. Clients are not required to utilize any third-party products or services that we may recommend and they can receive similar services from other professionals at a similar or lower cost.

Recommendations or Selections of Other Investment Advisers

As referenced in Item 4 of this brochure, Values Added Financial recommends Clients to Sub-Advisers to manage their accounts. In the event that we recommend a Sub-Adviser, please note that we do not share in their advisory fee. Our fee is separate and in addition to their compensation (as noted in Item 5) and will be described to you prior to engagement. You are not obligated, contractually or otherwise, to use the services of any Sub-Adviser we recommend. Additionally, Values Added Financial will only recommend a Sub-Adviser who is properly licensed or registered as an investment adviser.

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

A – Values Added Financial has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct and fiduciary duty to its clients. The Code of Ethics includes provisions relating to our professional duties to our clients, standards of conduct, and personal trading policy. The Code of Ethics is available to clients upon request.

B-D – Values Added Financial does not currently participate in securities in which it has a material financial interest. Values Added Financial and its related persons, as a matter of policy, do not recommend to clients, or buy or sell for client accounts, securities in which the firm or its related persons has a material financial interest.

Values Added Financial or individuals associated with Values Added Financial may buy and sell some of the same securities for its own account that Values Added Financial recommends for its clients. When appropriate, Values Added Financial will purchase or sell securities for clients before



purchasing or selling the same securities for Values Added Financials' account. In some cases, Values Added Financial may buy or sell securities for its account for reasons not related to the strategies adopted by Values Added Financials' clients. The Code of Ethics is designed to assure that the personal securities transactions will not interfere with making decisions in the best interest of advisory clients while, at the same time, allowing employees to invest for their own accounts.

Certain classes of securities, such as open-ended mutual funds, are designated as exempt transactions, meaning employees may trade these without prior permission because such trades would not materially interfere with the best interest of Values Added Financials' clients.

Nonetheless, because the Code of Ethics permits employees to invest in the same securities as Clients, there is a possibility that employees might somehow benefit from the market activity of a client. Accordingly, when applicable, Employee trading is monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Values Added Financial and its clients.

Values Added Financial will disclose to clients any material conflict of interest relating to Values Added Financial, its representatives, or any of its employees that would reasonably be expected to impair the rendering of unbiased and objective advice. Values Added Financial will notify clients in advance of its policies with respect to officers trading for their own account including the potential conflict of interest that arises when recommending securities to clients in which Values Added Financial or its principal holds a position.

Item 12 – Brokerage Practices

Recommendation of Brokerage Firms.

Values Added Financial generally recommends that clients engage the brokerage and custodial services of TD Ameritrade Institutional ("TDA") and/or Charles Schwab Institutional (each a "Custodian"). We recommend these Custodians because we believe that they provide our clients with expedient, efficient, and low-cost trade processing. We recommend the Custodians to clients based upon our view of their integrity and financial responsibility and in pursuit of the best execution of orders for client accounts. We never require our clients to utilize any particular custodian or broker-dealer in order to engage our services. Clients are free to use the custodian of their choosing, whether recommended by us or not.

If the client selects a broker-dealer other than those recommended by our firm (i.e., directed brokerage), you are advised that we may be unable to seek best execution of transactions for your account and your commission costs may be higher than those experienced by clients who have engaged one of our recommended Custodians. For example, in a directed brokerage account, you may pay higher brokerage commissions and/or receive less favorable prices on the underlying securities purchased or sold for your account. In addition, where you direct brokerage, we may place orders for your transactions after we place transactions for clients using our recommended



Custodians. We reserve the right to reject your request to use a particular broker-dealer if such selection would frustrate our management of your account, or for any other reason.

Best Execution.

In recommending broker-dealers, we have an obligation to seek the “best execution” of transactions in your account. This duty requires that we seek to execute securities transactions for clients such that the total costs or proceeds in each transaction are the most favorable under the circumstances. The determinative factor in the analysis of best execution is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of the recommended Custodian’s services. The factors we consider when evaluating a broker- dealer for best execution include, without limitation, the Custodian’s:

- execution capability;
- commission rate;
- financial responsibility;
- responsiveness and customer service;
- custodian capabilities;
- research services/ancillary brokerage services provided; and
- any other factors that we consider relevant.

Therefore, we will seek competitive commission rates, but we may not obtain the lowest possible commission rates for specific account transactions. With this in consideration, our firm will continue to recommend that clients use TDA and/or Charles Schwab Institutional until their services do not result, in our opinion, in best execution of client transactions.

Soft Dollars.

TDA and Charles Schwab Institutional may provide us with certain brokerage and research products and services that qualify as “brokerage or research services” under Section 28(e) of the Securities Exchange Act of 1934 (“Exchange Act”) in exchange for our client’s payment of brokerage fees. This is commonly referred to a “soft dollar” arrangement. These research products and services will assist us in our investment decision making process and overall management of client accounts. Such research generally will be used to service all of our client accounts, but brokerage charges paid by a specific client may be used to pay for research that is not used in managing that specific client’s account. Your account may pay to TDA or Charles Schwab Institutional a charge greater than another qualified broker-dealer might charge to effect the same transaction where we determine in good faith that the charge is reasonable in relation to the value of the brokerage and research services received.

We may receive other benefits from recommending TDA and/or Charles Schwab Institutional to our clients, such as software and other technology that (i) provides access to client account data (such as trade confirmations and account statements); (ii) facilitates trade execution; (iii) provides research, pricing and other market data; (iv) facilitates the payment of fees from client accounts; and



(v) assists us with back-office, recordkeeping, and/or client reporting functions. Other services we or our representatives may receive include, but are not limited to, performance reporting, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, and access to consultants and other third-party service providers who provide a wide array of business-related services and technology with whom we may contract directly.

While we do not pay a fee for these products/services, all client accounts may not be the direct or exclusive beneficiary of such products/services. Notwithstanding our interest in continuing to receive the foregoing product/services, we will never advise our clients to engage in additional trades at TDA, Charles Schwab Institutional, or any other brokerage firm or Custodian for the purpose of our continued receipt of any soft dollar benefits. Clients are advised that based upon our receipt of such products/services, we have an incentive to recommend a Custodian based upon our desire to receive these services rather than receiving best execution for you.

Values Added Financial receives occasional small gifts from firms that are recommended to clients, but all at a de minimis level (i.e., there is minimal value to the firm or its employees). Though limited,

these soft dollar and other benefits we or our personnel may receive have value, and therefore we work to mitigate any resulting conflicts of interest so that we continue to serve our clients interests first and foremost. We did not consider our receipt of soft-dollar benefits when selecting a third-party custodian to recommend to clients and we don't require the use of any specific custodian.

We do not receive any fees of any kind for referring you to broker-dealers for brokerage trades.

Products and Services Available to Values Added Financial from TDA and Charles Schwab Institutional.

TDA and Charles Schwab Institutional serve independent investment advisory firms such as Values Added Financial. They provide us and our clients with access to their institutional brokerage platform, including a suite of services – trading, custody, reporting, and related services – many of which are not typically available to TDA or Charles Schwab's retail customers. TDA and Charles Schwab Institutional also make available to us various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. TDA and Charles Schwab Institutional's support services generally are available on an unsolicited basis (we don't have to request them) and at no charge to us.

Values Added Financial does not accept any commissions from TDA, Charles Schwab Institutional, or any other broker or Custodian.

Order Aggregation

Given the individualized nature of our approach to investment management and the fact that we



do not maintain trading discretion over certain client accounts, we do not engage in the aggregation of client orders. Our practice of not combining multiple clients' buy and sell orders (i.e., block trading) may result in our firm being unable to achieve for its clients the most favorable execution at the best price available, and accordingly, may cost clients more money than other arrangements. We also advise clients, when possible, to plan ahead and not engage in numerous small or odd lot transactions that will generate unnecessary commissions rather than a smaller number of large transactions. We seek to limit fees to clients in part through recommending no-commission mutual funds and ETFs. Clients are further advised that TDA or Charles Schwab Institutional may aggregate client trades at their discretion. Sub-Advisers used by Values Added Financial may block Client trades at their discretion.

Item 13 – Review of Accounts

A The Managing Partners of Values Added Financial, Zachary Teutsch and Ari Weisbard, are responsible for reviewing and assessing financial recommendations made to clients. Factors triggering review may include significant changes in client's financial condition, changes in the fundamentals of the companies or entities issuing securities, price fluctuations, and significant industry or economic developments. Values Added Financial does not normally change its investment recommendations due to normal market fluctuations absent a significant change in the predetermined investment strategy.

Values Added Financial owes a fiduciary duty to each client to ensure that all recommendations are in the client's best interest. Values Added Financial will review the target asset allocation and evaluate whether it continues to be the appropriate asset allocation for the client given their financial situation, stage in the financial lifecycle, risk tolerance, liquidity needs, and other components of their financial situation, such as pensions, inheritances, major anticipated expenses, etc. Once the target asset allocation has been reviewed and/or revised, Values Added Financial will assess whether the current portfolio is within an acceptable range of this allocation.

Values Added may use third-party service providers for portfolio monitoring and rebalancing. These service providers operate within parameters set by Values Added, and they are instructed to consult Values Added regarding any circumstances that the set parameters have not foreseen.

B Investment Management Services clients receive portfolio recommendations during the term of their engagement with our Firm. Formal reviews of client accounts occur at least annually, but may occur more frequently if there are significant changes in the client's financial situation, including lifecycle events, career changes, inheritances, significant increases or decreases in net worth, change in residence, etc.

Financial Strategy Intensive, Project Retainer, and Single-Session Offering clients do not receive ongoing account review after their project has been completed.

C Where the client maintains any brokerage account(s), their selected custodian will provide a



statement, at least quarterly, that will include a list of all assets held in the account, asset values, and all transactions affecting the account assets, including any additions or withdrawals (including payments of fees to us, if applicable). Values Added Financial itself does not provide any regular monthly or quarterly investment account statements to clients.

Item 14 – Client Referrals and Other Compensation

Values Added Financial does not pay referral or finder’s fees, nor does it accept such fees from other firms.

Item 15 – Custody

Values Added Financial does not maintain custody of any client accounts. All accounts are held by an independent Custodian selected by the client.

Notwithstanding the above, for certain clients, Values Added Financial has the ability to directly deduct its advisory fees from the client’s custodial account. When doing so, (1) Values Added Financial sends its invoice to the Custodian or trustee, (2) the Custodian sends quarterly statements to the client showing all disbursements for the custodian account, including the amount of our advisory fees, and (3) the client provides written authorization permitting us to be paid directly from their accounts held by the Custodian or trustee.

We shall have no liability to you for any loss or other harm to any property maintained at the Custodian, including any harm to any property in the account resulting from the insolvency of any Custodian or any acts of the agents or employees of any Custodian, whether or not the full amount of such loss is covered by the Securities Investor Protection Corporation (“SIPC”) or any other insurance which may be carried by the custodian of your account(s). Clients understand that the SIPC provides only limited protection for the loss of property held by a Custodian.

Client will receive at least quarterly statements from the broker-dealer, bank, or other qualified Custodian that holds and maintains client’s investment assets. Values Added Financial urges all clients to review carefully such statements and compare such official custodial records to any statements that we may provide to you. Values Added Financial may also provide you with periodic reports on your accounts. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

Values Added Financials’ offers discretionary and non-discretionary management arrangements which are fully set forth in our written advisory agreement with the client. Where you elect to grant



us discretionary authority, you grant us limited power of attorney and authorize us to implement our investment recommendations directly within your account without obtaining your specific consent prior to each transaction. Under this authority, we will choose the specific securities, amount of securities, and timing of transactions in your account. This authority does not extend to the withdrawal or transfer of funds from your account. Where you elect to engage us on a non-discretionary basis, you are free to accept or reject any of our recommendations and we will only implement our investment recommendations within your account after receiving your approval to do so. You also maintain the sole discretion to select the timing and service providers to be used to implement any of our advice.

Item 17 – Voting Client Securities

As a matter of firm policy, Values Added Financial does not have authority to and does not vote proxies on behalf of clients, unless Values Added recommends and leverages a sub-adviser that votes proxies on behalf of clients. For instances in which Values Added Financial manages the client's assets independently of a sub-adviser, clients will receive all proxies directly from the custodian and retain the responsibility for voting proxies for any and all securities maintained in client portfolios. At the request of a client, Values Added Financial may provide advice to client regarding the client's voting of proxies.

For accounts in which a sub-adviser is utilized, Values Added Financial agrees to instruct the applicable custodian(s) to promptly forward all proxy materials to the Sub-Adviser or any proxy-voting service designated by the sub-adviser. The sub-adviser will not vote proxies on behalf of any Values Added Financial client account for which the sub-adviser has not been nominated at the applicable custodian to receive proxies. The nomination of the sub-adviser to vote proxies will be documented in writing at such time that the client has agreed to accept the recommendation of Values Added Financial to leverage the investment management services of the sub-adviser. In this case, the sub-adviser will vote proxies in a manner that serves the best interests of the client, as determined by the sub-adviser in its discretion.

Item 18 – Financial Information

We are required to provide clients with certain financial information or disclosures regarding our financial condition. Values Added Financial is well capitalized and has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding. Additionally, Values Added Financial does not require or solicit prepayment of more than \$500 in fees per client, six or more months in advance of completing a project or service for a client.