Firm Brochure - Form ADV Part 2A

Crest Financial LLC
Clear Fees.
Clear Services.
Clearly Different.SM

This brochure provides information about the qualifications and business practices of Crest Financial, LLC. If you have any questions about the contents of this brochure, please contact us at (541) 868-0449 or by email at: doug@crestfinancialllc.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 Crest Financial, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. Crest Financial, LLC's CRD number is: 332357.

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Registration as an investment adviser does not imply a certain level of skill or training.

Version Date: 9/17/2024

Item 2: Material Changes

Crest Financial, LLC has not yet filed an annual updating amendment using the Form ADV Part 2A. Therefore, there are no material changes to report.

Item 3: Table of Contents

Item 4: Advisory Business

A. Description of the Advisory Firm

Crest Financial, LLC (hereinafter “CFLLC”) is a Limited Liability Company organized in the State of Oregon. The firm was formed in January 2002 and became registered as an investment adviser in 2024. The principal owner is Douglas Evan Richards II.

B. Types of Advisory Services

Financial Planning

CFLLC believes having and maintaining a financial plan is the cornerstone of being able to know what a client is investing for. Financial plans and financial planning may include, but are not limited to: current financial position (budgeting, cash flow, etc.), investment planning; life insurance; tax concerns; retirement planning; college planning; debt/credit planning; business development consulting; and special needs planning.

Generally, financial planning is a twelve month engagement and is payable with an initial deposit and subsequent monthly payments. All regular email, correspondence and phone calls are included.

After the initial twelve month engagement, clients can elect the portfolio management services below or clients can elect additional monitoring of the financial plan.

Portfolio Management Services

CFLLC provides passive investment management and monitoring. CFLLC assists clients in developing their model allocation based on their individual goals, objectives, time horizon, and risk tolerance of each client. ETFs and/or low cost index mutual funds that have been filtered for performance, expenses as well as risk and return characteristics are the building blocks for the model allocation. CFLLC creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels).

CFLLC evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client. After the initial allocation the client determines how often they want to meet remotely to monitor and rebalance their holdings.

Pension Consulting Services

CFLLC offers consulting services to pension or other employee benefit plans (including but not limited to 401(k) plans). Pension consulting may include, but is not limited to:

- identifying investment objectives and restrictions
- providing guidance on various assets classes and investment options
- recommending money managers to manage plan assets in ways designed to achieve objectives
- monitoring investment options and making recommendations for changes
- recommending other service providers, such as custodians, administrators and broker-dealers
- creating a written pension consulting plan

These services are based on the goals, objectives, demographics, time horizon, and/or risk tolerance of the plan and its participants.

Subscription Services

CFLLC provides hourly planning clients with access to subscription services which provides access to financial planning software and newsletters.

Services Limited to Specific Types of Investments

CFLLC 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 CFLLC primarily recommends exchange traded fund portfolios managed passively.. CFLLC may use other securities as well to help diversify a portfolio when applicable.

Written Acknowledgement of Fiduciary Status

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and

- Give you basic information about conflicts of interest.

C. Client Tailored Services and Client Imposed Restrictions

CFLLC 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 CFLLC on behalf of the client. CFLLC 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 CFLLC from properly servicing the client account, or if the restrictions would require CFLLC to deviate from its standard suite of services, CFLLC 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 and transaction costs. CFLLC does not participate in wrap fee programs.

E. Assets Under Management

CFLLC has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
$0	$0	July 2024

Item 5: Fees and Compensation

A. Fee Schedule

Similar services may be available from other licensed investment advisor firms for lower fees.

Fees are negotiable.

Financial Planning Fees

Fixed Fees

The negotiated fixed rate for creating client financial plans is between $1,800 and $18,000. Fees charged are negotiable based upon the type of client, the complexity of the client's situation, and the other services that CFLLC may provide to the client.

Please see below for examples of different complexity of plans and the fees associated with each plan.

Complex Plan: Multiple Properties, Business(es), Significant Assets or Philanthropic or Complex Goals.
Starting Range: $12,000 with a $2,000 deposit and two payments of $6,000 or twelve payments of $1,000.
Seven to Nine meetings per year including meetings with the client's professional advisors.

Moderate Plan: Multiple Financial Goals, Phased Retirement Planning, Cash Flow Analysis, Estate and Tax Planning
Starting Range: $8,050 with a $1,150 deposit and two payments of $4,025 or twelve monthly payments of $575.
Four to six meetings per year including a meeting with clients' legal or tax advisor.

Basic Plan: Retirement, College, Debt, Risk Management and Asset Allocation
Starting Range: $5,320 with a $760 deposit and two payments of $2,280 or twelve monthly payments of $380.
Three to Five Meetings per year.

Hourly Fees

The negotiated hourly fee for these services is between $300 and $525. Fees charged are negotiable based upon the type of client, the complexity of the client's situation, and the other services that CFLLC may provide to the client.

Please see below for examples of different complexity of plans and the fees associated with each plan.

Personal Financial Planning: $375 per hour billed in five minute increments.
Business Financial Planning: $525 per hour billed in three minute increments.

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

Portfolio Management Services Fees

Fixed Fees

The fee for portfolio management services is between $1,800 and $18,000. The final fee schedule will be memorialized in the client's advisory agreement. This service may be canceled with 30 days' notice. Fees will not exceed any limit imposed by any regulatory agency. Fees charged are negotiable based upon the type of client, the complexity of the client's situation, and the other services that CFLLC may provide to the client.

Hourly Fees

The negotiated hourly fee for these services is between $300 and $525. Fees charged are negotiable based upon the type of client, the complexity of the client's situation, and the other services that CFLLC may provide to the client.

Pension Consulting Services Fees

Fixed Fees

The rate for creating client pension consulting plans is between $3,500 and $50,000 annually. The final fee schedule will be memorialized in the client’s advisory agreement. This service may be canceled with 30 days’ notice. Fees charged are negotiable based upon the type of client, the complexity of the client's situation, and the other services that CFLLC may provide to the client.

Hourly Fees

The hourly fee for these services is between $375 and $525. The final fee schedule will be memorialized in the client’s advisory agreement. Fees charged are negotiable based upon the type of client, the complexity of the client's situation, and the other services that CFLLC may provide to the client.

Subscription Fees

Hourly planning clients may pay a technology access fee to have access to the financial planning software and newsletters. This fee is $25 per month or $250 per year.

B. Payment of Fees

Payment of Financial Planning Fees

Financial planning fees are paid via check or AdvicePay.

Fixed financial planning fees are broken down into 14 payments with 2 payments paid upfront with the remaining 12 payments paid monthly over a year.

Hourly financial planning fees are paid in arrears upon completion.

Payment of Portfolio Management Fees

Portfolio management fees are paid via withdrawn directly from the client's accounts with client's written authorization or paid via check, ACH or AdvicePay. Fees can be paid monthly or semiannually.

Payment of Pension Consulting Services Fees

Fixed pension consulting fees are paid via check or withdrawn directly from the client's accounts with client's written authorization. These fees are broken down into 39 payments with 3 payments paid upfront with the remaining 36 payments paid monthly over three years. For example, an annual fee of $13,000 would result in an upfront payment of $3,000 and thirty-six monthly payments of $1,000.

Hourly pension consulting fees are paid in arrears upon completion.

Payment of Subscription Fees

Fees are withdrawn directly from the client's accounts with client's written authorization, by ACH, check or AdvicePay.

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 CFLLC. Please see Item 12 of this brochure regarding broker-dealer/custodian.

D. Prepayment of Fees

CFLLC collects fees in advance. Refunds for fees paid in advance but not yet earned will be refunded on a prorated basis and returned within fourteen days to the client via check.

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

Neither CFLLC nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

CFLLC 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

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

- ❖ Corporations or Business Entities
- ❖ Pension and Profit Sharing Plans
- ❖ High-Net-Worth Individuals
- ❖ Individuals

There is no account minimum for any of CFLLC's services. However, asset management fees cannot exceed the amounts listed above and for each client will not exceed 1.75% of the client's investable assets. Financial planning and consulting fees cannot exceed the limits above; and for each client will not exceed the greater of 5% of the client's income or 2.5% of their net worth.

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

A. Methods of Analysis and Investment Strategies

Methods of Analysis

CFLLC's methods of analysis include Fundamental analysis and Modern portfolio theory.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

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 assets.

Investment Strategies

CFLLC uses long term trading.

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

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

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

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.

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

C. Risks of Specific Securities Utilized

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. Risks in investing in ETFs include trading risks, liquidity and shutdown risks, risks associated with a change in authorized participants and non-participation of authorized participants, risks that trading price differs from indicative net asset value (iNAV), or price fluctuation and disassociation from the index being tracked. With regard to trading risks, regular trading adds cost to your portfolio thus counteracting the low fees that one of the typical benefits of ETFs. Additionally, regular trading to beneficially “time the market” is difficult to achieve. Even paid fund managers struggle to do this every year, with the majority failing to beat the relevant indexes. With regard to liquidity and shutdown risks, not all ETFs have the same level of liquidity. Since ETFs are at least as liquid as their underlying assets, trading conditions are more accurately reflected in implied liquidity rather than the average daily volume of the ETF itself. Implied liquidity is a measure of what can potentially be traded in ETFs based on its underlying assets. ETFs are subject to market volatility and the risks of their underlying securities, which may include the risks associated with investing in smaller companies, foreign securities, commodities, and fixed income investments (as applicable). Foreign securities in particular are subject to interest rate, currency exchange rate, economic, and political risks, all of which are magnified in emerging markets. ETFs that target a small universe of securities, such as a specific region or market sector, are generally subject to greater market volatility, as well as to the specific risks associated with that sector, region, or other focus. ETFs that use derivatives, leverage, or complex investment strategies are subject to additional risks. 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. The return of an index ETF is usually different from that of the index it tracks because of fees, expenses, and tracking error. An ETF may trade at a premium or discount to its net asset value (NAV) (or indicative value in the case of exchange-traded notes). The degree of liquidity can vary significantly from one ETF to another and losses may be magnified if no liquid market exists for the ETF's shares when attempting to sell them. Each ETF has a unique risk profile, detailed in its prospectus, offering circular, or similar material, which should be considered carefully when making investment decisions.

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 CFLLC 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 CFLLC 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

Douglas Evan Richards II may offer advice to financial planning clients regarding the role insurance may play in the context of their risk management planning. Though licensed Douglas Evan Richards II does not sell insurance products, he may assist clients in securing coverage with the insurance professional of their choosing.

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

CFLLC does not utilize nor select third-party investment advisers.

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

A. Code of Ethics

CFLLC 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. CFLLC's Code of Ethics is available free upon request to any client or prospective client.

B. Recommendations Involving Material Financial Interests

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

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of CFLLC may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of CFLLC 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. CFLLC 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 CFLLC may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of CFLLC 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, CFLLC will never engage in trading that operates to the client's disadvantage if representatives of CFLLC 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 CFLLC'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 CFLLC 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 CFLLC's research efforts. CFLLC will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

CFLLC recommends Schwab Institutional, a division of Charles Schwab & Co., Inc..

1. *Research and Other Soft-Dollar Benefits*

While CFLLC has no formal soft dollars program in which soft dollars are used to pay for third party services, CFLLC may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). CFLLC 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 CFLLC does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. CFLLC benefits by not having to produce or pay for the research, products or services, and CFLLC will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that CFLLC's acceptance of soft dollar benefits may result in higher commissions charged to the client.

2. *Brokerage for Client Referrals*

CFLLC 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*

CFLLC may permit clients to direct it to execute transactions through a specified broker-dealer. If a client directs brokerage, then the client will be required to acknowledge in writing that the client's direction with respect to the use of brokers supersedes any authority granted to CFLLC to select brokers; this direction may result in higher commissions, which may result in a disparity between free and directed accounts; the client may be unable to participate in block trades (unless CFLLC is able to engage in "step outs"); and trades for the client and other directed accounts may be executed after trades for free accounts, which may result in less favorable prices, particularly for illiquid securities or during volatile market conditions. Not all investment advisers allow their clients to direct brokerage.

B. Aggregating (Block) Trading for Multiple Client Accounts

If CFLLC 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, CFLLC 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. CFLLC 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

Portfolio management accounts are reviewed at least annually by Douglas Evan Richards II, Managing Member and Chief Compliance Officer, with regard to clients' respective investment policies and risk tolerance levels.

All financial planning accounts are reviewed upon financial plan creation by Douglas Evan Richards II, Managing Member and Chief Compliance Officer. Financial planning clients are provided a financial plan concerning their financial situation.

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).

C. Content and Frequency of Regular Reports Provided to Clients

Each client of CFLLC's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and fees. This written report will come from the custodian.

Each financial planning client will receive a financial plan.

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)

Other than soft dollar benefits as described in Item 12 above, CFLLC does not receive any economic benefit, directly or indirectly from any third party for advice rendered to CFLLC's clients.

With respect to Schwab, CFLLC receives access to Schwab's institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least $10 million of the adviser's clients' assets are maintained in accounts at Schwab Advisor Services. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For CFLLC client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to CFLLC other products and services that benefit CFLLC but may not benefit its clients' accounts. These benefits may include national, regional or CFLLC specific educational events organized and/or sponsored by Schwab Advisor Services. Other of these products and services assist CFLLC in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of CFLLC's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of CFLLC's accounts. Schwab Advisor Services also makes available to CFLLC other services intended to help CFLLC manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to CFLLC by independent third parties. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to CFLLC. CFLLC is independently owned and operated and not affiliated with Schwab.

B. Compensation to Non – Advisory Personnel for Client Referrals

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

Item 15: Custody

CFLLC does not take custody of client accounts at any time. Custody of client's accounts is held primarily at the client's custodian. Clients will receive account statements from the custodian and should carefully review those statements for accuracy.

Custody is also disclosed in Form ADV because CFLLC has authority to transfer money from client account(s), which constitutes a standing letter of authorization (SLOA). Accordingly, CFLLC will follow the safeguards specified by the SEC rather than undergo an annual audit.

Item 16: Investment Discretion

CFLLC 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, CFLLC 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, CFLLC'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 CFLLC.

Item 17: Voting Client Securities (Proxy Voting)

CFLLC 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

CFLLC 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 CFLLC nor its management has any financial condition that is likely to reasonably impair CFLLC's ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

CFLLC 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

CFLLC currently has only one management person: Douglas Evan Richards II. 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

CFLLC 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

There are no civil, self-regulatory organization, or arbitration proceedings to report under this section.

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

See Item 10.C and 11.B.