Investment Adviser Form ADV Part 2A

Centered Financial LLC

d/b/a Centered Financial
CRD#304535
701 Palomar Airport Road, Suite 300
Carlsbad, CA 92011
Main Telephone No. (760) 931-4729

This brochure provides information about the qualifications and business practices of Centered Financial LLC. If you have any questions about the contents of this brochure, please contact us at (760) 931-4729.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority.

Additional information about Centered Financial LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

The use of the term registered investment adviser does not imply a certain level of skill or training.

March 21, 2022

Item 2 – Material Changes

There have been no material changes to this Brochure since the last annual amendment was submitted on March 12, 2021.

Centered Financial, LLC will provide updates to this brochure annually with 120 days of the close of its fiscal year, or more frequently in the event of certain material changes.

Item 3 – Table of Contents

Item 1 – Cover Page
Item 2 – Material Changes 1
Item 3 – Table of Contents 2
Item 4 – Advisory Business 3
Item 5 – Fees and Compensation 5
Item 6 – Performance-Based Fees and Side-By-Side Management 9
Item 7 – Types of Clients 9
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss 9
Item 8.A – Frequent Trading of Securities 12
Item 8.B – Material Risks of Particular Securities 13
Item 9 – Disciplinary Information 14
Item 9.A – Criminal or Civil Actions 14
Item 9.B – Administrative Proceedings 14
Item 9.C – Self-Regulatory Organization ("SRO") Proceedings 14
Item 10 – Other Financial Industry Activities and Affiliations 15
Item 10.A – Broker-Dealer Registration 15
Item 10.B – Futures Commission Merchant/Commodities 15
Item 10.C – Relationships with Related Persons 15
Item 10.D – Relationships with Other Advisers 15
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading 16
Item 11.A – Code of Ethics 16
Item 11.B – Participation or Interest in Client Transactions 16
Item 11.C – Personal Trading by Associated Persons 17
Item 11.D – Conflicts of Interest with Personal Trading by Associated Persons 17
Item 12 – Brokerage Practices 17
Item 12.A – Factors in Selecting or Recommending Broker-Dealers 17
    Item 12.A1 – Research and Other Soft Dollar Benefits 18
    Item 12.A2 – Brokerage for Client Referrals 18
    Item 12.A3 – Directed Brokerage 18
Item 12.B – Trade Aggregation 18
Item 13 – Review of Accounts 19
Item 14 – Client Referrals and Other Compensation 19
Item 15 – Custody 20
Item 16 – Investment Discretion 20
Item 17 – Voting Client Securities 20
Item 18 – Financial Information 20
Item 19 – Requirements for State Registered Advisers 21
Item 19.A – Management Biographical Information 21
Item 19.B – Outside Business Activities 21
Item 19.C – Performance Based Fees 21
Item 19.D – Arbitration Claims, Litigation and Other Proceedings 21
Item 19.E – Relationships with Issuers of Securities 21

Item 4 – Advisory Business

Centered Financial LLC ("Centered" or "the Adviser") has been in business since May, 2019. Jeran Van Alfen is the principal owner.

Investment Management Services

The Adviser provides investment management services to its clients on a discretionary and non-discretionary basis.

When the Adviser manages client assets on a discretionary basis, the Adviser executes securities transactions for clients without having to obtain specific client consent prior to each transaction. Discretionary authority is limited to investments within a client's managed accounts. However, clients may impose restrictions on investing in certain securities or types of securities.

When the Adviser manages client assets on a non-discretionary basis, the Adviser notifies the client and obtains permission prior to the sale or purchase of each security within the managed account. Clients may decide not to invest in certain securities or types of securities and may refuse to approve securities transactions.

The Adviser provides investment management services that include, among other things, advice regarding asset allocation and the selection of investments, portfolio design, investment plan implementation and ongoing investment monitoring. The Adviser relies on the stated objectives of the client and considers the client's risk profile and financial status prior to making any recommendations. The Adviser doesn't participate in wrap fee programs by providing portfolio management or any other services. Advice is not limited to specific types of investments.

Assets Under Management

As of December 31, 2021, the Adviser manages $41,401,293 in discretionary client assets.

Advisory Referral Services

The Adviser maintains referral agreements with third-party asset managers (other independent investment advisers). The Adviser gathers information about a client's financial and tax status and investment objectives in order to determine the client's risk profile. Based on this analysis the Adviser assists the client in allocating assets among various third-party asset management programs. The selection of third-party managers wouldn't be limited to certain types of third-party managers. The Adviser does not have any relationships with any of these third-party managers other than the referral agreements.

The Adviser receives compensation for introducing clients to these third-party asset managers and for certain ongoing services provided to clients. These arrangements create a conflict of interest because the Adviser may have an incentive to refer a client to these third-party asset managers.

All third-party asset managers to whom the Adviser refers a client are licensed as investment advisers by their resident states and any applicable jurisdictions or by the Securities and Exchange Commission.

Financial Planning & Consulting Services

The Adviser provides financial planning and consulting services consistent with a client's financial and tax status, in addition to their risk tolerance and investment objectives. Financial planning and consulting services may typically include the following and are offered based on client needs:

- Financial statement preparation and analysis (including cash flow analysis/planning and budgeting)
- Employee benefits planning
- Investment planning
- Income tax planning
- Retirement planning
- Estate planning
- Insurance planning and risk management

The financial planning and consulting process generally includes:

- Establishing and defining the client-planner relationship
- Gathering client data including goals
- Analyzing and evaluating the client's current financial status
- Developing and presenting recommendations and/or alternatives
- Implementing the recommendations
- Monitoring the recommendations

The Adviser provides ongoing financial planning and consulting services when it is appropriate for a client. Typically, this is appropriate when financial planning needs to be delivered to a client over a prolonged engagement extending beyond 3 months. Ongoing services generally include all but aren't limited to the services outlined above. Major life events may require ongoing planning and consulting services because they can come with unexpected variables that require adjustments.

Ongoing planning and consulting services begin with an initial planning engagement that includes all meetings and time in the first 30 to 90 days of the relationship. Ongoing financial planning and consulting services include but are not limited to periodic reviews of the client's qualitative and quantitative information related to the financial planning areas specified in the financial planning agreement, tracking of client's progress toward financial goals defined during the initial planning engagement and delivery of updated recommendations based on analysis of this information.

The Adviser provides limited scope financial planning and consulting services when it is appropriate for a client. This is appropriate when a client is seeking specific and focused financial planning or advice that involves multiple goals, each with specific tasks and deliverables.

The adviser will also work with a client on a per project basis when a client has a single goal that has specific tasks and deliverables. A project has a defined start and end date.

Pension Consulting

The Adviser provides consulting services to pension plans regarding investments, investment options, plan administrators, plan administration, implementation, and maintenance.

Financial Planning Conflicts of Interest

There is a conflict of interest because there is an incentive for the Adviser offering financial planning services to recommend products or services for which the Adviser or an associated person may receive compensation. However, financial planning clients are under no obligation to act upon any recommendations of the Adviser or to execute any transactions through the Adviser or an associated person if they decide to follow the recommendations.

Other Conflicts of Interest

All material conflicts of interest under CCR Section 260.238 are disclosed regarding the investment adviser, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice, are disclosed within this brochure.

Tailored Services

All services are tailored to the individual needs of clients.

Item 5 – Fees and Compensation

Investment Management Fees

The Adviser is compensated for investment management services based on a client's assets under management. Fees are paid quarterly in advance and are negotiable based on the assets under management, range and complexity of the services provided. The Adviser deducts fees directly from client accounts.

Fees are due on the first day of the calendar quarter, and are based on the account's asset value as of the last business day of the prior calendar quarter. Fees are prorated for accounts opened during a quarter based on the percentage of the quarter remaining. The asset value is based on the initial deposit or transfer.

The account custodian may charge fees, which are in addition to and separate from advisory fees. Accounts may incur transaction costs, retirement plan administration fees, mutual fund annual expenses and other fees. Clients should note that fees for comparable services vary and lower or higher fees may be charged by different providers for similar services.

Clients will have a period of five (5) business days from the date of signing an advisory agreement to unconditionally rescind the agreement and receive a full refund of all fees. Thereafter, either party may terminate the advisory agreement with 30 days written notice. Upon termination, fees will be prorated to the date the notice of termination was received and the unearned portion will be refunded. The amount of the refund will be based on the percentage of time remaining in the billing period times the amount received.

Annualized Non-Qualified Plan Fees

Between	And Up To	Per Year
$0	$150,000	1.50%
$150,001	$500,000	1.25%
$500,001	$1,000,000	1.00%
Next	$1,000,000	0.90%
Next	$3,000,000	0.75%
Next	$5,000,000	0.50%
Next	$5,000,000	0.40%
Above	$15,000,000	0.25%

Examples:

- Client with $125,000 pays 1.50% annual fee
- Client with $450,000 pays 1.25% annual fee
- Client with $750,000 pays 1.00% annual fee
- Client with $1,500,000 pays a blended rate of 0.967% (1.0% on first million, 0.90% on next million)

Note: A hybrid breakpoint schedule instead of a straight breakpoint fee schedule is used. This represents a conflict of interest because it results in increased compensation when compared to advisers who use a straight breakpoint schedule. It also results in higher revenue as the value of the account increases. Increases in the account values are managed at lower rates but assets managed in lower tiers are managed at higher rates. Higher assets under management fees may have an adverse impact on client returns and portfolios over time.

Annualized Qualified Plan Fees

From	To	Per Year
$0	$500,000	0.75%
$500,001	$750,000	0.70%
$750,001	$1,000,000	0.60%
$1,000,001	$2,000,000	0.50%
$2,000,001	$5,000,000	0.35%
$5,000,001	$10,000,000	0.25%
Above	$10,000,000	Negotiable

Advisory Referral Fees

The compensation the Adviser receives from third-party managers is disclosed in separate disclosure documents. Compensation is typically equal to a percentage of the investment management fee charged by the third-party asset manager or a fixed fee. The Adviser will ensure that the total assets under management fee doesn't exceed 2%. Clients may receive similar services from other advisers for a lower fee. The disclosure document provided by the Adviser will clearly state the fees payable to the Adviser and whether the payment of the Adviser's fee will increase the total fees the client must pay to the third-party manager.

Since the compensation the Adviser receives may differ depending on the agreement with each third-party manager, the Adviser may have an incentive to recommend one third-party manager over another.

Fees paid by clients to independent third-party managers are established and payable in accordance with the ADV Part 2A brochure or other equivalent disclosure document of each independent third-party manager to whom the Adviser refers its clients and may or may not be negotiable. The facts and circumstances of negotiability are contained in the disclosure documents of each third-party manager.

Clients who are referred to third-party investment managers will receive a Part 2A brochure providing details of services rendered and fees to be charged. Clients will receive copies of the Adviser's and third-party investment managers' Parts 2A at the time of the referral.

In addition, if the Adviser recommends a wrap fee program, the client will also receive a wrap fee brochure provided by the sponsor of the program. The Adviser will provide to each client all appropriate disclosure statements, including disclosure of solicitation fees paid to the Adviser and its advisory associates.

Financial Planning & Consulting Fees

Fees are based on the complexity of the planning and consulting services or project, time involved, assets under management, and the range of services provided.

Fees for initial financial planning and consulting services range from $0 to $5,000. The Adviser provides clients with a quote and the fee is payable upon signing the agreement. When the Adviser provides consulting services to a qualified retirement plan, the fixed fee is capped at $750 a year if the plan assets are under $100,000.

Fees are payable within 30 days of the first day of the calendar quarter or month based on the services provided during the previous quarter or month.

Fees for limited scope financial planning and consulting services and projects are bill at the rate of $200[1] per hour.

[1] Under Utah Securities Division policy Mr. Van Alfen's Utah clients will be billed at the rate of $200 an hour and all other IARs will be billed at a rate no greater than $150.

The Adviser provides clients with an estimate of the amount of time the financial planning and consulting services or project will take and upon signing an agreement, a deposit of 50% of the estimated fee is required. The balance is due upon delivery of the financial plan or completion of the project or services.

Advisory clients should note that fees for comparable services vary and lower or higher fees for comparable services may be available from other sources.

Clients will not be charged for insurance advice as part of any financial planning fees when Mr. Van Alfen receives insurance sales commissions.

If clients elect to implement recommendations made in a financial plan, their accounts will incur additional fees and charges, such as program or platform fees, transaction costs, retirement plan administration fees, and other mutual fund annual expenses that are charged by broker-dealers, plan administrators or mutual fund companies that sell securities or provide additional services to Adviser clients. These fees are in addition to and separate from planning and consulting fees.

The Adviser anticipates that the financial plan produced will be delivered within six months or sooner of the date of the agreement. The Adviser considers fees for financial planning or a consulting project to be earned as progress is realized toward creation of the plan or completion of the service. Under no circumstances will the Adviser collect fees in excess of $500 more than six months in advance of services rendered.

Clients will have a period of five (5) business days from the date of signing an agreement to unconditionally rescind the agreement and receive a full refund of all fees. Thereafter, either party may terminate the agreement prior to delivery of the plan or completion of the services with written notice.

Upon termination, the Adviser will prorate fees to the date the notice of termination was received and will refund any unearned portion of the fee. The amount of the refund will be based on the percentage of work that wasn't completed times the amount received or the percentage of time remaining in the billing period times the amount received. The Adviser uses time-tracking software to generate reports that are maintained in each client file and a Customer Relationship Management ("CRM") system.

Receipt of Additional Compensation

Investment adviser representatives receive brokerage or mutual fund trail commissions for the sale of securities to clients in their capacity as registered representatives of a broker-dealer. This practice presents a conflict of interest as it provides an incentive to recommend investment products based on the compensation to be received rather than on the client's needs. The Adviser monitors trading practices and regularly reviews client securities transactions in order to minimize this conflict of interest.

Clients are advised that they are not required to purchase or sell securities through the investment adviser representatives acting in the capacity of registered representatives of a broker-dealer and may purchase the same securities or products from an unaffiliated broker-dealer. The Adviser will recommend no-load mutual funds.

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

The Adviser does not charge or receive, directly or indirectly, any performance-based fees.

Item 7 – Types of Clients

The Adviser provides advisory services to:

- Individuals – Trusts, estates, 401(k) plans and IRAs of a household count as one individual.
- High net worth individuals – Individuals who are "qualified clients" under rule 205-3 of the Advisers Act of 1940 or are "qualified purchasers".
- Charitable or nonprofit organizations – This may include social welfare organizations, agricultural/horticultural organizations, labor organizations, business leagues or trade associations and entities that operate for purposes that are religious, artistic, literary, charitable, scientific, educational or in the interest of public safety.
- Business entities including sole proprietorships
- Pension and profit-sharing plans (other than plan participants)

Account Minimums

The Adviser does not impose a minimum account requirement on clients.

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

Method of Analysis

The Adviser's main sources of financial information are prospectuses, research materials prepared by others, corporate rating services, annual reports, and company releases.

Fundamental Analysis

The Adviser uses fundamental analysis. Fundamental analysis involves predicting the price movement of an asset based on measures that are related to the underlying business. This method is used to judge the performance of management. (Although it is important to note that things outside of management's control can impact performance.) Comparing the margins of the company and its relative performance to that of two or three of its peers will give an idea of whether the performance is potentially outside of management's control.

Technical Analysis

The Adviser uses technical analysis. Technical analysis involves predicting the price movement of an asset based on factors unrelated to the underlying business (price, volume, and open interest, among other factors, to detect and interpret patterns to predict the movement of individual securities, an industry or the broad market).

Charting is a subsector of technical analysis and also focuses on predicting price movements of assets based on patterns that are formed by the price movements.

The Adviser may recommend one or a combination of assets and investment strategies as follows:

Mutual and Exchange Traded Funds

The Adviser recommends index and actively managed, mutual and exchange traded funds when designing client portfolios. The Adviser considers index funds based on how closely the funds' characteristics mirror the indices they track.

The Adviser analyzes actively managed funds by comparing funds that target the same market sector and have the same investment style using prospectuses and other sources of information. The Adviser reviews the following prior to recommending funds to clients:

- Rank in Category over various periods
- Return Rating
- Risk Rating
- YTD Return (Outsize swings in comparisons to peers can be a sign of risky practices such as placing large bets on certain sectors of the market.)
- 1 Yr. Return
- 3 Yr. Return
- 5 Yr. Return (Typically over a five-year period, the economy experiences a complete cycle. However, the way in which a manager operates in various economic environments reflects the manager's ability to make adjustments or stay the course.)
- Loads
- Total Expense Ratios
- Net Assets
- Turnover
- Median Market Capitalization
- Ratings

The Adviser also takes the manager or management team tenure under consideration to determine who was responsible for generating the performance numbers.

Variable Annuities

A variable annuity ("VA") is an insurance contract with an investment component. Investments are typically managed through pooled investment vehicles called subaccounts. The Adviser analyzes VA contracts based on the contract and subaccount features. The criterion used to analyze subaccounts is similar to the processes used for mutual and exchange traded funds. Variable annuities typically offer:

- Regular stream of income or a lump sum payout at a future time
- Tax-deferred treatment of earnings
- Death benefits

Clients generally pay sales charges or commissions at the time of purchase or charges may be deferred until the VA is sold. Deferred charges typically vary based on how long the VA is held. A portion of the annual operating expenses collected from a client may be paid to a salesperson, in addition to other payments classified as trailing sales charges.

Variable Life Insurance

Variable life insurance is an insurance policy that builds cash value by giving the owner the ability to invest the premiums. The owner also has flexibility in making premium payments due to changes in the cash value. The criterion used to analyze subaccounts is similar to the processes used for mutual and exchange traded funds.

Public Equity Securities

A corporation may issue stock to the general public after registration. Stock represents an ownership interest in a company. The Adviser uses valuation measures and financial information, evaluates the regulatory environment, analyzes products or services that are available or under development and the factors that can impact the price movement of a company's stock. The Adviser also makes comparisons to the company's peers and to the broader market.

Corporate Debt & Municipal Securities

The Adviser generally analyzes the current yield, yield to maturity, yield to call, call and default risks, and interest coverage.

Debt is issued by federal, state and foreign governments and corporations to finance their operations. Debt represents their promise to repay the borrowed amount with interest according to the terms and conditions of the debt instrument. Debt obligations offer limited participation in the upside potential of a business. In exchange holders receive interest and a position that is generally senior to equity in a bankruptcy.

Options contracts

An option is a contract that gives the buyer the right and the seller the obligation, to buy or sell stock or futures contracts at a specific price for a set period of time. The Adviser analyzes opportunities to generate income, hedge positions and speculate.

Investment Strategies

The Adviser works with each client to design an appropriate investment strategy based on their financial and tax status, risk tolerance and investment objectives. The Adviser usually recommends investment strategies for the long-term, but may occasionally recommend short-term investment and hedging strategies.

Strategic Asset Allocation

The client and the Adviser will establish a "base policy mix", which is the proportion of the client's portfolio to be allocated for each asset class (like stocks, bonds, funds, real estate, etc.) based on expected rates of return for each asset class. Strategic Asset Allocation is a buy-and-hold strategy that applies even if there is a shift in the values of the assets that causes a drift from the initially established asset mix.

Tactical Asset Allocation Strategy

A Tactical Asset Allocation Strategy allows for clients to occasionally engage in short-term deviations from their original asset mix in order to capitalize on unusual or exceptional investment opportunities. This flexibility adds a component of market timing enabling clients to participate in economic conditions that are more favorable for one asset class than for others. The client returns to his or her original asset mix once desired short-term profits are achieved. The Adviser attempts to exploit these opportunities by overweighting or underweighting applicable asset classes while favorable market conditions exist then rebalancing to the original allocation.

Modern Portfolio Theory

The Adviser uses Modern Portfolio Theory as one of its core investment strategies. Modern Portfolio Theory ("MPT") involves a type of asset diversification that uses a mathematical formula for diversifying client investments and minimizing risk. MPT allows clients to attempt to maximize expected return on investments for a given amount of portfolio risk or minimize risk for a given level of expected return through carefully choosing the allocations of various assets in a client portfolio. The idea is to select a portfolio of investments that collectively has a lower risk than any one individual asset. MPT describes how to select a portfolio with the highest possible expected return taking into consideration the amount of risk that a particular client is willing to bear. Expected returns are based on historical return data and the correlation among assets can converge and diverge for extended periods. This means that portfolios may not perform as anticipated.

Risk of Loss

Clients are advised that investing in securities involves the risk of loss of the entire principal amount invested including any gains. Clients should not invest unless they are able to bear this risk. Any of the above investment strategies may lead to a loss on investments. Even hedging strategies may fail if markets move against the hedged investments. In addition, investing carries with it opportunity risk it is impossible to accurately predict the sectors of the market or asset classes that will have more favorable returns for a given period.

Item 8.A – Frequent Trading of Securities

The Adviser is not involved in the frequent trading of securities.

Item 8.B – Material Risks of Particular Securities

The Adviser doesn't recommend any type of security that involves significant or unusual risks except for the following which may present material risks to investors:

Municipal securities – Municipal securities are backed by either the full faith and credit of the issuer or by revenue generated by a specific project (like a toll road or parking garage) for which the securities were issued.

The latter type of securities could quickly lose value or even become virtually worthless if the expected project revenue does not meet expectations.

Variable annuities – Since compensation from VAs to a salesperson varies, there is a conflict of interest since there is an incentive to recommend a VA with a higher payout. VAs may be subject to:

- Taxes and federal penalties for early withdrawal
- Surrender charges for early withdrawal can last for several years
- Earnings taxed at ordinary income tax rates
- Mortality expense to compensate the insurance company for insurance risks
- Fees and expenses imposed for the subaccounts
- Other features with additional fees and charges
- Investment losses

Variable Life Insurance – If the performances of the underlying investments are below expectations the death benefit and cash value may decrease. Maintaining the death benefit increases the cost of the policy.

Options contracts – Options trading can present some or all of the following material risks (not an exclusive list):

- Option sellers receive fixed compensation in exchange for accepting an obligation to buy or sell an underlying asset at a price that can fluctuate wildly.
- Securities price movement can make exercising options financially impractical and the options would expire worthless.
  This would result in the loss of the entire amount used to purchase the options.
- Options sold may be exercised at any time before expiration requiring the seller to purchase or sell underlying securities at an unfavorable price.
- Sellers of naked positions run margin risks if the value of the position drops (i.e. liquidation of positions by the broker).
- Sellers of call options can lose more money than a short seller of that stock on the same increase in the share price of the underlying stock.
- Call options can be exercised outside of market hours inhibiting remedies that can be taken by the seller of those options.
- Stock option sellers may be obligated to buy or sell securities upon exercise even if a trading market is not available or they are unable to perform closing transactions.

- The value of the underlying stock may unexpectedly increase or decline, leading to automatic exercises of options against the seller.
- Options markets have the right to halt trading of options, thus preventing investors from realizing value.

Real Estate Investment Trusts ("REITs") - An REIT is a tax designation for an entity investing in real estate that reduces or eliminates corporate income taxes. A REIT can be a corporation, business trust, or association managed by one or more trustees or directors who pool the resources of individual investors for passive investment in real estate. REITs are required to distribute 90% of their income to investors so they have the potential to be good for investors that seek a steady income from their investments.

REITs typically receive special tax considerations and can offer investors higher yields. Individuals can invest by purchasing shares directly on an open exchange or by investing in a mutual fund that specializes in public real estate; so REITs can be highly liquid. REIT investing is not without risk. Real estate construction projects have a long timeline which can result overbuilding of types of properties owned by REITs. Higher interest rates may increase borrowing costs for construction, financing of the purchase of REIT owned properties and operating costs for existing REIT owned business properties. Any of these events may cause a substantial decline in the value of REIT investments. Clients should consult the Adviser if they have questions concerning the basic characteristics of these or other investment products or about the risks and potential rewards of investing.

Item 9 – Disciplinary Information

The Adviser does not have any disciplinary information to disclose.

Item 9.A – Criminal or Civil Actions

Neither the Adviser nor any management person has been found guilty of or has any criminal or civil actions pending in a domestic, foreign or military court.

Item 9.B – Administrative Proceedings

Neither the Adviser nor any management person has any administrative proceedings pending before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority.

Item 9.C – Self-Regulatory Organization ("SRO") Proceedings

Neither the Adviser nor any management person have been found by any SRO to have caused an investment-related business to lose its authorization to do business, or to have been involved in violating the SRO's rules, or were barred or suspended from membership or from associating with other members, or were expelled from membership, otherwise significantly limited from investment-related activities, or fined.

Item 10 – Other Financial Industry Activities and Affiliations

Item 10.A – Broker-Dealer Registration

Mr. Van Alfen is registered representative of Purshe Kaplan Sterling Investments, a broker-dealer, member of the Financial Industry Regulatory Authority, Inc. ("FINRA") and the Securities Investor Protection Corporation ("SIPC").

In his capacity as a registered representative of a broker-dealer, Mr. Van Alfen may recommend securities or other products and receive normal transactions commissions or other compensation.

A conflict of interest is created whenever associated persons of the Adviser recommend products or services to a client for which the associated person receives compensation. However, clients are under no obligation to act upon any recommendations of the associated persons or affect any transactions through them if they decide to follow their recommendations.

Item 10.B – Futures Commission Merchant/Commodities

Neither the Adviser nor any management person is a commodity broker/futures commission merchant, a commodity pool operator, commodity trading advisor or an associated person for the foregoing entities; nor do they have any registration applications pending.

Item 10.C – Relationships with Related Persons

Mr. Van Alfen is an insurance agent appointed with various insurance companies. In this capacity, Mr. Van Alfen may recommend insurance products, and receive commissions and other compensation if products are purchased through any firms with which Mr. Van Alfen is affiliated.

Thus, a conflict of interest exists between the interests of Mr. Van Alfen and those of the advisory clients. Clients are under no obligation to act upon any of their recommendations or execute any transactions through them if they decide to follow his recommendations.

Item 10.D – Relationships with Other Advisers

The Adviser maintains referral agreements with other independent third-party investment advisers. The Adviser will ensure that all third-party asset managers to whom the Adviser refers a client are licensed as investment advisers by their resident states and any applicable jurisdictions or by the Securities and Exchange Commission.

As part of the succession planning process, the Adviser has added a registered investment adviser representative of another investment adviser as a board member.

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

Item 11.A – Code of Ethics

The Adviser has adopted a Code of Ethics that sets forth standards of conduct expected of advisory personnel and to address conflicts that arise from personal trading by advisory personnel. Advisory personnel are obligated to adhere to the Code of Ethics, and applicable securities and other laws.

The Code covers a range of topics that may include: general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code, review and enforcement processes, amendments to Form ADV and supervisory procedures. The Adviser will provide a copy of the Code to any client or prospective client upon request.

Item 11.B – Participation or Interest in Client Transactions

Principal Trading

Neither the Adviser nor any affiliated broker-dealer affects securities transactions as principal with the Adviser's clients. Neither the Adviser nor any associated person acting as a principal, buys securities from (or sells securities to) clients, acts as general partner in a partnership in which Adviser solicits client investments, or acts as an investment adviser to an investment company that the Adviser recommends to clients.

Personal Trading of Associates Affiliated with a Brokerage Firm

In his capacity as a registered representative of Purshe Kaplan Sterling Investments, Mr. Van Alfen may receive payments from certain mutual funds distributed pursuant to a 12b-1 distribution plan, or other such plans, as compensation for administrative services, representing a separate financial interest. A conflict of interest is created whenever associated persons of the Adviser recommend products or services to a client for which an associated person receives compensation. In all cases, recommendations are made in the best interests of the client. The Adviser does not permit insider trading and has implemented procedures to ensure that its insider trading policy is being observed.

Agency-Cross Action Transactions

Neither the Adviser nor any associated person recommends that clients buy from or sell securities to other clients.

Additional Conflict of Interest Disclosures

The Adviser (or associated persons of the Adviser) receive the following additional compensation:

- Securities Sales Commissions
- Commissions on the sale of insurance or other products

Any of the above situations will result in a conflict of interest by creating an incentive for the adviser or associated persons to recommend a particular investment product or service.

The Adviser informs clients that they are under no obligation to act upon any recommendations or execute any transactions and may elect to do business with other advisers or broker-dealers at any time.

Item 11.C – Personal Trading by Associated Persons

The Adviser recommends that clients invest in various types of assets. The Adviser and its associated persons may invest in the same types of assets.

Permitted investments for associated persons are all asset classes.

See Item 11.D for information concerning conflicts of interest.

Item 11.D – Conflicts of Interest with Personal Trading by Associated Persons

Associated persons may own an interest in or buy or sell for their own accounts the same securities, which may be recommended to advisory clients. Associated persons seek to ensure that they do not personally benefit from the short-term market effects of their recommendations to clients and their personal transactions are regularly monitored.

Associated persons are aware of the rules regarding material non-public information and insider trading. Associated persons may also buy or sell a specific security for their own account based on personal investment considerations, which the Adviser does not deem appropriate to buy or sell for clients. Neither the Adviser nor any related person recommends to clients or buys or sells for clients' accounts investments in which the Adviser or any related person has a material financial interest.

Item 12 – Brokerage Practices

Item 12.A – Factors in Selecting or Recommending Broker-Dealers

Brokerage Recommendations by Persons Associated with Another BD

Mr. Van Alfen in his capacity as a registered representative of Purshe Kaplan Sterling Investments may suggest that clients implement recommendations through Purshe Kaplan Sterling Investments. If the client so elects, Mr. Van Alfen would receive normal and customary commissions as sales agent resulting from any securities transactions, presenting Mr. Van Alfen with a conflict of interest. Furthermore, in implementing a plan through relationships maintained by Mr. Van Alfen, clients may pay commissions or fees that are higher or lower than those that may be obtained elsewhere for similar services.

Clients are advised that they are under no obligation to implement the plan or its recommendations through Mr. Van Alfen acting in his capacity as a registered representative.

Item 12.A1 – Research and Other Soft Dollar Benefits

The Adviser does not receive soft dollars generated by clients' securities transactions. The term "soft dollars" refers to funds which are generated by client trades being used by the Adviser to purchase products or services (such as research and enhanced brokerage services) from or through the broker-dealers whom the Adviser engages to execute securities transactions.

Item 12.A2 – Brokerage for Client Referrals

The Adviser does not refer clients to particular broker-dealers in exchange for client referrals from those broker-dealers.

Item 12.A3 – Directed Brokerage

The Adviser does not recommend or require that clients direct their brokerage business to any particular broker-dealer.

Item 12.B – Trade Aggregation

In placing orders to purchase or sell securities in accounts, the Adviser may elect to aggregate orders. In so doing, the Adviser will not aggregate transactions unless aggregation is consistent with its duty to seek best execution and the terms of the Adviser's investment advisory agreement with each client for which trades are being aggregated.

No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all of the Adviser's transactions in that security on a given business day, with transaction costs shared pro-rata based on each client's participation in the transaction; adviser will prepare, before entering an aggregated order, a written statement specifying the participating client accounts and how it intends to allocate the securities purchased among those clients. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the written statement.

If the order is partially filled, it will be allocated pro-rata based on the written statement. Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the written statement if all client accounts receive fair and equitable treatment and the reason for different allocation is explained in writing and approved in writing by the Adviser's compliance officer no later than one hour after the opening of the markets on the trading day following the day the order was executed.

The Adviser's books and records will separately reflect, for each client account, the orders which are aggregated, the securities held by, and bought and sold for that account.

Funds and securities of clients whose orders are aggregated will be deposited with one or more banks or broker-dealers, and neither the client's cash nor their securities will be held collectively any longer than is necessary to settle the purchase or sale in question on a delivery versus payment basis. Cash or securities held collectively for clients will be delivered to the custodian bank or broker-dealer as soon as practicable following the settlement. The Adviser will receive no additional compensation of any kind as a result of the proposed aggregation and individual investment advice and treatment will be accorded to each client.

Item 13 – Review of Accounts

Mr. Van Alfen performs reviews of all investment advisory accounts no less than quarterly. Mr. Van Alfen reviews accounts for consistency with the investment strategy and performance chosen by clients (among other things). Reviews may be triggered by changes in an account holder's personal, tax or financial status. Macroeconomic and company specific events may also trigger reviews. There is currently no limit on the number of accounts that can be reviewed by Mr. Van Alfen.

In addition, brokerage statements are generated no less than quarterly and the account custodian sends copies directly to clients. These reports list the account positions, activity in the account over the covered period and other related information. The custodian also sends confirmations following each brokerage account transaction unless confirmations have been waived.

The Adviser reviews financial plans on an ongoing basis when engaged for ongoing services. The schedule for these reviews will be agreed upon by the adviser and the client but will not be less than annual. Periodic reviews entail updating client qualitative and quantitative information related to the financial planning areas specified in the financial planning agreement, identifying and prioritizing financial goals and delivery of updated recommendations based on analysis of this information.

Additionally, the adviser will review previously delivered financial plans upon request and this may constitute a new financial planning engagement.

Item 14 – Client Referrals and Other Compensation

The Adviser does not have an arrangement under which it or its associated persons compensate others for client referrals. The Adviser doesn't receive any economic benefit for providing advisory services to clients from a person who is not a client. This includes sales awards or prizes.

On occasion, the Adviser may refer clients to other professionals for services that the Adviser is unable to perform. In turn, the Adviser may receive referrals from these firms. Although there is no direct monetary benefit derived from these arrangements, they are mutually beneficial and provide an indirect benefit. The Adviser will never base its referrals solely on any formal or informal arrangement.

Item 15 – Custody

The Adviser doesn't accept physical custody of client funds or securities. Client assets are held by qualified custodians. The Adviser has custody of the funds and securities solely as a consequence of its authority to make withdrawals from client accounts to pay its advisory fee. The Adviser intends to use the following safeguards when advisory fees are withdrawn directly from clients' accounts:

- The Adviser will get written authorization from the client to deduct advisory fees from the account held with the qualified custodian.

- Each time a fee is directly deducted from a client account, the Adviser will concurrently send the qualified custodian an invoice or statement of the amount of the fee to be deducted from the client's account and send the client an invoice or statement itemizing the fee. Itemization will include the formula used to calculate the fee, the value of the assets under management on which the fee is based and the time period covered by the fee.

Item 16 – Investment Discretion

The Adviser will have discretion over the selection and amount of securities to be bought or sold without obtaining specific client consent. The Adviser will not have discretion over the selection of the broker to be used or the commission rates to be paid.

Item 17 – Voting Client Securities

The Adviser does not vote proxies on behalf of clients as a matter of policy. Clients will receive proxy information directly from their custodian.

Clients may contact the Adviser with questions about a particular solicitation by telephone at 760-454-7279.

Item 18 – Financial Information

There is no financial condition that is reasonably likely to impair the Adviser's ability to meet its contractual commitments to its clients. The Adviser has not been the subject of a bankruptcy petition at any time during the past ten years.

The Adviser anticipates that the financial planning and consulting services will be completed within six months or sooner of the date of the agreement. The Adviser considers fees for financial planning and consulting services to be earned as services are provided. Under no circumstances will the Adviser collect fees in excess of $500 more than six months in advance of services being rendered.

Item 19 – Requirements for State Registered Advisers

Item 19.A – Management Biographical Information

Refer to Item 2 and the Part 2B Supplement for management person information.

All material conflicts of interest are disclosed regarding the investment adviser, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

Item 19.B – Outside Business Activities

Mr. Van Alfen spends approximately 15% of his time involved in brokerage, advisory, and insurance related activities. For additional information about these activities see Items 10.A, 10.C, 11.B, and 12.A.

Item 19.C – Performance Based Fees

Neither the Adviser nor any supervised person of the Adviser is compensated for advisory services with performance-based fees.

Item 19.D – Arbitration Claims, Litigation and Other Proceedings

Neither the Adviser nor any management person has been found liable as a result of any arbitration claim, or civil, self-regulatory organization, or administrative proceeding.

Item 19.E – Relationships with Issuers of Securities

Neither the Adviser nor any management person has any relationship or arrangement with any issuer of securities.