

Adaptive Financial Consulting, LLC

Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of Adaptive Financial Consulting, LLC. If you have any questions about the contents of this brochure, please contact us at 440-359-3468 or by email at: jthompson@adaptivefc.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 Adaptive Financial Consulting, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. Adaptive Financial Consulting, LLC's CRD number is: 288185.

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

Version Date: 02/05/2020

Item 2: Material Changes

The material changes in this brochure from the last annual updating amendment of Adaptive Financial Consulting, LLC. on March 01, 2019 are described below. Material changes relate to Adaptive Financial Consulting, LLC.'s policies, practices or conflicts of interests.

- Adaptive Financial Consulting, LLC has updated their fee schedule for Portfolio Management and Pension Consulting services. (Item 5)
- Adaptive Financial Consulting, LLC has updated Item 10.C to disclose Mr. Parton's outside Business activities.
- Adaptive Financial Consulting, LLC has updated Item 19.A to disclose Mr. Jonathan Grundman, CFA® as a management person.
- Adaptive Financial Consulting, LLC has transitioned to registration with the United States Securities and Exchange Commission from its prior registration at the state level.

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Item 4: Advisory Business

A. Description of the Advisory Firm

Adaptive Financial Consulting, LLC (hereinafter "AFCLLC") is a Limited Liability Company organized in the State of Ohio. The firm was formed in May 2013 formerly used as a DBA for other business as a registered investment adviser under another firm, became registered as an investment adviser in 2017, and the principal owner is Jeremy Bigelow Thompson. The firm has not provided investment advisory services until registered as a registered investment adviser in 2017.

B. Types of Advisory Services

Portfolio Management Services

AFCLLC offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. AFCLLC creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels). Portfolio management services include, but are not limited to, the following:

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

AFCLLC evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. AFCLLC will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

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

Pension Consulting Services

AFCLLC 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 performance of money managers and 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.

Financial Planning

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

In offering financial planning, a conflict exists between the interests of the investment adviser and the interests of the client. The client is under no obligation to act upon the investment adviser's recommendation, and, if the client elects to act on any of the recommendations, the client is under no obligation to affect the transaction through the investment adviser. This statement is required by California Code of Regulations, 10 CCR Section 260.235.2.

Services Limited to Specific Types of Investments

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

Educational Seminars

AFCLLC will provide educational seminars based around basic and advanced financial and tax mitigation planning for small business owners. AFCLLC will educate people on various entity structures and the tax implications and how it impacts their current personal financial situation, to various qualified and non-qualified plan designs. AFCLLC will educate people on the difference between an asset vs. stock sale and the type of business entity that they are and how it impacts their overall planning when it comes time to sell their business. We also cover what to do with the money after they have sold their business.

C. Client Tailored Services and Client Imposed Restrictions

AFCLLC offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels). 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 AFCLLC from properly servicing the client account, or if the restrictions would require AFCLLC to deviate from its standard suite of services, AFCLLC reserves the right to end the relationship.

D. Wrap Fee Programs

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

E. Assets Under Management

AFCLLC has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$138,202,121.00	\$1,150,502.00	December 2019

AFCLLC has \$211,321,037.00 in assets under advisement as of December 2019.

Item 5: Fees and Compensation

A. Fee Schedule

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

Portfolio Management Fees

Total Assets Under Management	Annual Fees
\$0 - \$2,000,000	1.00%
\$2,000,001 - \$3,500,000	0.90%
\$3,500,001 - \$5,000,000	0.80%
\$5,000,001 - \$10,000,000	0.70%
\$10,000,001 - \$20,000,000	0.60%
\$20,000,001 –And Up	0.50%

Fees are paid in advance. The advisory fee is calculated using the value of the assets in the Account on the last business day of the prior billing period. Upon termination, for any unearned asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate* times the number of days elapsed in the billing period up to and including the day of termination. (*The daily rate is calculated by dividing the annual asset-based fee rate by 365.

AFCLLC is authorized to withdraw management fees directly from the Account on a quarterly basis. Because client fees will be withdrawn directly from client accounts, in states that require it, AFCLLC will:

- (A) Possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian.
- (B) Send the qualified custodian written notice of the amount of the fee to be deducted from the client's account and verify that the qualified custodian sends invoices to the client.
- (C) Send the client a written invoice itemizing the fee upon or prior to fee deduction, including the formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

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

Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 30 days' written notice.

Pension Consulting Services Fees

Asset-Based Fees for Pension Consulting

Total Assets Under Management	Annual Fees
\$0 - \$2,000,000	1.00%
\$2,000,001 - \$3,500,000	0.90%
\$3,500,001 - \$5,000,000	0.80%
\$5,000,001 - \$10,000,000	0.70%
\$10,000,001 - \$20,000,000	0.60%
\$20,000,001 –And Up	0.50%

Fees are paid in advance. The advisory fee is calculated using the value of the assets in the Account on the last business day of the prior billing period. Upon termination, for any unearned asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate* times the number of days elapsed in the billing period up to and including the day of termination. (*The daily rate is calculated by dividing the annual asset-based fee rate by 365.

AFCLLC is authorized to withdraw management fees directly from the Account on a quarterly basis. Because client fees will be withdrawn directly from client accounts, in states that require it, AFCLLC will:

- (A) Possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian.
- (B) Send the qualified custodian written notice of the amount of the fee to be deducted from the client's account and verify that the qualified custodian sends invoices to the client.
- (C) Send the client a written invoice itemizing the fee upon or prior to fee deduction, including the formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

Clients may terminate the agreement without penalty for a full refund of AFCLLC's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the pension consulting agreement generally with 30 days' written notice. AFCLLC bills based on the balance on the first day of the billing period

Financial Planning Fees

Fixed Fees

The negotiated fixed rate for creating client financial plans is between \$1,000 and \$100,000. AFCLLC may require that the client pay 50% of the financial planning in advance. Pre-paid financial planning fees are refunded by check if the plan is not completed before termination is requested.

It is anticipated that each financial planning service listed above will take approximately 2-4 hours of financial planning and therefore the time to complete a financial plan will depend on the services required by the client. For example, the financial plan for a client requiring only investment planning, retirement, and life insurance planning will usually require 6-12 hours.

The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. AFCLLC and the client will ultimately determine the negotiated fixed fee depending on the specific financial planning services (listed above) that the client requires, the need to take into account dependents or other individuals, the diversity of client assets to be addressed by the financial plan, as well as conversations with the client. Fixed fees will be offered to all clients.

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

Educational Seminars Fee

AFCLLC will not charge for the educational seminars they offer.

B. Payment of Fees

Payment of Portfolio Management Fees

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis. Fees are paid in advance.

Payment of Pension Consulting Fees

Asset-based pension consulting fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis. Fees are paid in advance.

Payment of Financial Planning Fees

Financial planning fees are paid via check.

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

Payment of Educational Seminars

AFCLLC will not charge for the educational seminars they offer.

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

D. Prepayment of Fees

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

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

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

E. Outside Compensation For the Sale of Securities to Clients

Neither AFCLLC nor its supervised persons accept any compensation for the sale of 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

AFCLLC 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

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

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

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

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

A. Methods of Analysis and Investment Strategies

Methods of Analysis

AFCLLC's methods of analysis include Charting analysis, Fundamental analysis, Modern portfolio theory, Quantitative analysis and Technical analysis.

Charting analysis involves the use of patterns in performance charts. AFCLLC uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

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 asset.

Quantitative analysis deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

Technical analysis involves the analysis of past market data; primarily price and volume.

Investment Strategies

AFCLLC uses long term trading, short term trading, margin transactions and options trading (including covered options, uncovered options, or spreading strategies).

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

Charting analysis strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

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.

Quantitative analysis Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

Investment Strategies

AFCLLC's use of margin transactions and options trading generally holds greater risk, and clients should be aware that there is a material risk of loss using any of those strategies.

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments.

These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Margin transactions use leverage that is borrowed from a brokerage firm as collateral. When losses occur, the value of the margin account may fall below the brokerage firm's threshold thereby triggering a margin call. This may force the account holder to either allocate more funds to the account or sell assets on a shorter time frame than desired.

Options transactions involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value, as well as the possibility of leveraged loss of trading capital due to the leveraged nature of stock options.

Selection of Other Advisers: AFCLLC's selection process cannot ensure that money managers will perform as desired and AFCLLC will have no control over the day-to-day operations of any of its selected money managers. AFCLLC would not necessarily be aware of certain activities at the underlying money manager level, including without limitation a money manager's engaging in unreported risks, investment "style drift" or even regulatory breaches or fraud.

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

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

C. Risks of Specific Securities Utilized

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

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

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

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

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

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.

Hedge funds often engage in leveraging and other speculative investment practices that may increase the risk of loss; can be highly illiquid; are not required to provide periodic pricing or valuation information to investors; May involve complex tax structures and delays in distributing important tax information; are not subject to the same regulatory requirements as mutual funds; and often charge high fees. In addition, hedge funds may invest in risky securities and engage in risky strategies.

Private equity funds carry certain risks. Capital calls will be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment.

Private placements carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

Options are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option transactions also involve risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

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 AFCLLC 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 AFCLLC 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

Jeremy Bigelow Thompson is an independent licensed insurance agent, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. AFCLLC always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of AFCLLC in connection with such individual's activities outside of AFCLLC.

Tobias Ryan Yearms is an independent licensed insurance agent, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. AFCLLC always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of AFCLLC in connection with such individual's activities outside of AFCLLC.

Luke Timothy Parton is an independent licensed insurance agent, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. AFCLLC always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of AFCLLC in connection with such individual's activities outside of AFCLLC.

Rachelle Renee Kovacs owns 50% of a single-family residential rental in Brooklyn OH. She receives no commission and all rental income goes to paying expensed for this activity.

Rachelle Renee Kovacs owns 50% of land contract for property in Hancock County, WV. She inherited the property and receives no commission. She receives \$500/month from land contract payments.

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

Michael Christopher Krueger is a Territory Manager at Smart Choice Insurance. From time to time, he may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. Adaptive Financial Consulting, LLC always acts in the best interest of the client and clients always have the right to decide whether or not to utilize the services of any representative of Adaptive Financial Consulting, LLC in such individual's outside capacities.

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

AFCLLC does not direct clients to third-party investment advisers.

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

A. Code of Ethics

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

B. Recommendations Involving Material Financial Interests

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

C. Investing Personal Money in the Same Securities as Clients

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

AFCLLC recommends Fidelity Brokerage Services LLC.

1. Research and Other Soft-Dollar Benefits

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

Clients should be aware that AFCLLC's acceptance of soft dollar benefits may result in higher commissions charged to the client.

2. *Brokerage for Client Referrals*

AFCLLC 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*

AFCLLC 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 AFCLLC 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 AFCLLC 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 AFCLLC 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, AFCLLC 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. AFCLLC would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

Item 13: Review of Accounts

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

All client accounts for AFCLLC's advisory services provided on an ongoing basis are reviewed at least Annually by Jeremy B Thompson, CEO, with regard to clients' respective investment policies and risk tolerance levels. All accounts at AFCLLC are assigned to this reviewer.

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

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

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

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

C. Content and Frequency of Regular Reports Provided to Clients

Each client of AFCLLC's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian. AFCLLC will also provide at least quarterly a separate written statement to the client.

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

Item 14: Client Referrals and Other Compensation

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

AFCLLC does not receive any economic benefit, directly or indirectly from any third party for advice rendered to AFCLLC clients.

B. Compensation to Non – Advisory Personnel for Client Referrals

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

Item 15: Custody

When advisory fees are deducted directly from client accounts at client's custodian, AFCLLC will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy. Fidelity will issue a written report to the client on a quarterly basis.

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

Item 16: Investment Discretion

AFCLLC provides 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, AFCLLC 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.

Clients may, but typically do not, impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

Item 17: Voting Client Securities (Proxy Voting)

AFCLLC 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

AFCLLC neither requires nor solicits prepayment of more than \$1,200 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 AFCLLC nor its management has any financial condition that is likely to reasonably impair AFCLLC's ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

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