

## Item 1–Cover Page



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# Regulatory Brochure Part 2 for Tone Financial Advisors, LLC

Updated: March 29, 2011

This Brochure provides information about the qualifications and business practices of Tone Financial Advisors, LLC. If you have any questions about its contents please contact us.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by the Wisconsin Department of Financial Institutions ("DFI").

Tone Financial Advisors, LLC ("TFA") is a Wisconsin Registered Investment Adviser ("RIA"). Our Central Registration Depository ("CRD") number is 139873.

Additional regulatory information about Tone Financial Advisors, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Registration of an Investment Adviser does not imply a level of skill or training. The reputation, ethics, experience, training, and your personal interview provide information to consider prior to hiring or retaining an Advisor.

## **Item 2—Material Changes**

On July 28, 2010, the United States Securities and Exchange Commission published *Amendments to Form ADV* that amends the disclosure document that we have provided to our clients as required by SEC and/or Wisconsin Department of Financial Institution rules. This new Brochure, dated March 31, 2011, is prepared according to those new requirements. It is materially different in structure and content from our previous Brochure.

In the future, this Item will discuss only specific material changes we made to the Brochure.

In the past, we have offered or delivered information about our qualifications and business practices to you annually. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this Brochure within 120 days of the close of our fiscal year. We will provide you a new Brochure as necessary when it contains new or changed information.

You may obtain a copy of our Brochure at any time by contacting us by phone, by sending us an email or by downloading it directly from our website.

Regulatory information is available on the Security and Exchange Commission's web site, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). That web site also provides information about all Investment Adviser Representatives affiliated with us.

### **Document Conventions**

Within this Brochure, the words "Adviser" and "Advisor" are used interchangeably. Their usage is dependent on departmental or organizational usage conventions.

Any use of gender-specific language is not indicative of a client bias; it is merely meant to simplify the language used.

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## **Item 4–Advisory Business**

### **Overview**

Tone Financial Advisors, LLC is a Registered Investment Adviser, registered with the Wisconsin Department of Financial Institutions. We manage investment portfolios for individuals, families, churches and non-profits. Our mission is to help our clients optimally manage the investment assets that God has entrusted to their care.

Founded in 2005, Tone Financial Advisors, LLC is an alternative to secular brokerages, investment advisors and mutual fund companies. Although we have no specific religious or faith requirements for clients, our internal operations and services incorporate a conservative Christian worldview and recognize the inerrant truth found in the bible.

Central to our operation is our belief in biblical stewardship. A steward manages another party's property or wealth for the express benefit of its owner. We acknowledge in our services that all property and wealth belongs to God and is provided for our use by Him. Thus, the method of managing your financial assets is very important to us.

Whether your personal values are best represented by screened biblically responsible investments, socially responsible investments, or by well-diversified general-purpose investments, we carefully construct a portfolio that reflects your values.

### **Biblically-Responsible Investing**

Biblically-Responsible Investing attempts to screen out companies with operating principles that conflict with mainstream biblical values. Examples of these conflicting values are companies that promote, support or produce abortions, encourage alcohol overuse, profess anti-family values, regularly abuse the environment, provide gambling services, produce and distribute pornography and encourage tobacco use.

Despite our efforts, there may be times when a suitable, biblically responsible investment vehicle is not available in the desired asset category or account. This may lead us to a compromise when selecting investments.

### **Socially-Responsible Investing**

Socially-Responsible Investing attempts to screen for companies that contribute positively to society and avoid companies that produce products or operate in a manner that is detrimental to society or the environment. While there is not a compiled list of agreed-upon criteria, some common areas screened for by socially responsible investing include those with positive employee relations, strong environmental practices, producing safe and useful products, and have internal operations that respect human rights.

There often is a significant overlap between investments possessing both biblically responsible and socially responsible characteristics.

Despite our efforts, there may be times when a suitable, socially responsible investment vehicle is not available in the desired asset category or account. This may lead us to a compromise when selecting investments.

## General-Purpose Investing

For general-purpose portfolios, we carefully construct a well-diversified mix of investments of differing asset types, utilizing investment vehicles that track several broad based market indexes.

These portfolios are designed to take optimal advantage of the long-term rising trend in US and global markets.

## Ownership

Tone Financial Advisors, LLC is organized as a Wisconsin Limited Liability Company (“LLC”). The managing member and 100% owner is Stephen Edward Tone, ChFC®.

You will find information regarding the education and training of Stephen Edward Tone in Item 19 found towards the end of this Brochure.

## Service Offered

We offer three distinct services to our clients: Investment Portfolio Management, Financial Topic Consulting and Tax Preparation Services.

### Investment Portfolio Management

Managing investment portfolios is approximately 80% of our business. We follow a five-step process:

1. We **DISCOVER** your needs by listening to your goals, values, dreams and financial objectives.
2. We **DEVELOP** a strategy based on your unique objectives and investment personality. We document this strategy in a personalized Investment Policy Statement (“IPS”).
3. We **SELECT** an appropriate mix of investments that best fit this investment strategy. We carefully choose mutual funds, index funds and exchange traded funds that fit within your defined asset allocation model and provide broad diversification within your portfolio.
4. We then **IMPLEMENT** your customized investment strategy within new investment accounts with us and within your existing 401(k), IRA or other employer-sponsored retirement accounts.
5. Once established, we **MONITOR** your investments weekly for adherence to your personalized investment strategy. Quarterly we report to you in writing the performance of your portfolio. During annual meetings, we sit down with you, assess your portfolio’s characteristics, and reaffirm your objectives.

### Financial Topic Consulting

Another aspect of our business is that of offering consulting on various financial topics, including College Planning, Retirement Planning and generalized Financial Planning.

The process for these consulting engagements varies depending on the nature of the project. They may or may not result in a written report.

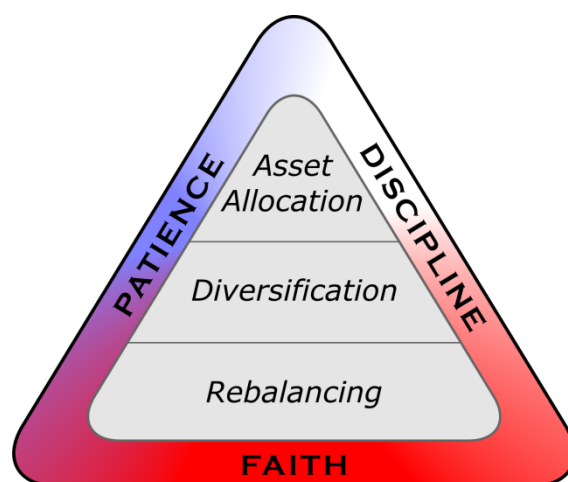
### Tax Preparation Services

We provide personal income tax preparation services to select clients. This represents a minor aspect of our business during two months annually.

### Investment Philosophy

The investment philosophy that we use in our Investment Portfolio Management service is simple but powerful, and is divided into three key *Principles* and three key *Practices*.

These Principles and Practices, depicted in the triangle below, have successfully lead our clients through some of the most challenging market conditions of the modern era.



### Principles

1. **Faith** in the US and global economic systems and in those markets' long-term ability to increase wealth for investors
2. **Patience** to endure the expected and necessary swings in market values
3. **Discipline** to avoid the “Big Mistakes” and to continue on a prudent investment strategy just when everyone else is jumping ship.

### Practices

1. **Asset Allocation**, distributing your portfolio across multiple asset types (e.g., US Large-Cap stocks, US Small-Cap stocks, International Multi-Cap stocks, US Intermediate-term bonds), tailoring your portfolio's overall risk to your risk profile
2. **Diversification** of your portfolio across multiple investments within asset classes, reducing your specific stock and market sector risks
3. **Rebalancing** your portfolio as needed to conform to the asset allocation model established for you.

When selecting specific investments, we first make every attempt to match your values to the investment's underlying philosophy. After that match, we then choose investment vehicles that have long-term performance that is in the upper quadrants of its peers.

Note that we place your personal values at a higher priority than specific investment performance. This may direct us to select investment vehicles that have performance histories that are different from investment vehicles that do not share those values.

## Assets Under Management

As of the date of this Brochure, we are managing \$2 million of investment assets. This amount fluctuates with market conditions and the number of clients serviced.

## Item 5—Fees and Compensation

<b>Service</b>	<b>Fee</b>	<b>Due</b>
Investment Portfolio Management	0.25% of Portfolio Value	Quarterly in advance
Financial Topic Consulting	\$75/hour	At time of delivery
Tax Preparation Services	\$145	At time of delivery

All of the above fees can be reduced, increased, waived or restructured on a per-contract basis at our sole discretion.

## Investment Portfolio Management Fees

We charge for our Investment Portfolio Management services at the beginning of each calendar quarter. Our rate is 0.25% of your portfolio asset value on the last day of the preceding quarter. This is the equivalent of 1% annually. There is a minimum fee of \$300 per quarter.

We calculate our fee using the total of all of your investment account balances within your entire portfolio, including accounts that you have at other firms. Due to the increased processing time required, any accounts that you have at other firms may each be assessed a surcharge of 0.05% of account value per quarter. This surcharge is waived for any of your current employers' sponsored retirement plans.

You will also be charged modest trading, transaction and account management fees by our Custodian (see Item 10). We explain these fees to you at the time of contract signing, and you are provided an updated schedule annually. The fees imposed by other firms (e.g., by employer-sponsored plans) are not under our control and are your responsibility to understand.

The specific manner in which fees are charged is established in your written agreement with us. We prefer to debit fees directly from your investment account(s). However, we may agree to other billing arrangements on a case-by-case basis.

Investment Portfolio Management fees will be prorated for capital contributions over \$100,000 made during a calendar quarter. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of our agreement, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Our fee is exclusive of any brokerage charges, transaction fees, transfer fees, termination fees or other related costs and expenses which you may be charged by other parties. Mutual funds and exchange-traded funds charge internal management fees that are a component of their share price. These are disclosed in the funds' prospectus. All such charges, fees, taxes and commissions are exclusive of and in addition to our fees, and we do not receive any portion of these fees.

### **Financial Topic Consulting Fees**

We charge \$75 per hour for these services, billable in ½-hour increments. The specific manner in which these fees are charged is established in your written agreement with us.

Fees are collected from you at the time the completed project is delivered, unless alternative arrangements are made.

### **Tax Preparation Fees**

Fees charged for preparing income taxes vary based on your return complexity and age. Our standard fee is \$145.

### **Contract Termination**

You may terminate your agreement with us within five business days of signing, at which time no fees would be due. Should you terminate your agreement after this date, you are responsible for any time charges incurred by us. Any excess prepaid fees will be promptly refunded to you.

Any transactional, custodial or termination charges levied by our Custodian after the termination of your contract are not the responsibility of Tone Financial Advisors, LLC and will not be reimbursed.

### **Item 6—Performance-Based Fees and Side-By-Side Management**

We do not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

### **Item 7—Types of Clients**

We provide portfolio management and financial topic consulting services to individuals, families, churches and non-profit institutions. There is no minimum account or portfolio value.

To reduce investment conflicts, overlap and to ensure a cohesive investment strategy, we generally require that all of your investment accounts be under our management. We will consider managing partial portfolios on a case-by-case basis.

### **Item 8—Methods of Analysis, Investment Strategies and Risk of Loss**

**Investing in securities involves a risk of loss that clients should be prepared to bear.**

We consistently recommend that our clients take a long-term, multiple-decade view of their investment portfolio. It is our opinion that optimizing long-term investment return requires:

1. having assets appropriately allocated across various asset classes
2. having appropriate diversification within those various asset classes, and
3. avoiding common investor mistakes.

We recommend investments based on the fundamental aspects of the economy, the fundamental aspects of the security, its past long-term performance and if requested by the client, their social or biblical screening.

Portfolio objectives are always viewed within the context of your risk profile, financial situation and investment objectives. As a result, the asset allocations and investments that we recommend for you will often vary from our other clients.

Should you choose to emphasize biblical or social aspects in your portfolio, you may find that your portfolio performance deviates substantially from commonly used benchmarks that are not biblically or socially screened.

Our overall investment strategy recognizes the efficient market theory, where there are no opportunities to reliably take advantage of mispricing within the market and that market timing is not consistently profitable over the long-term. We contend that it is not possible to predict which individual investments or investment types will outperform others in the future.

Although we have access to all investment types, we generally will recommend that you avoid investing in naked options, futures, real estate (except publically traded real estate investment trusts, i.e., REITs), oil interests, gas interests, commodities (except publically traded commodity mutual funds or exchange-traded funds) or other private, non-traditional or derivative-based investments. We overwhelmingly recommend investing in portfolios of broadly diversified, publically traded mutual funds, index funds, and exchange traded funds.

## **Investment Risks**

Risk is the permanent loss of investment portfolio value.

Below are several of the risks that your investment portfolio will regularly face, and the manner in which we attempt to mitigate them.

### **Market Risk**

This is the risk of investment values declining as a result of economic alarm. Market risk generally affects all investments of a particular asset class similarly. And, depending on its severity, some economic alarm may cause entire markets to react similarly.

We cannot eliminate this type of risk short-term, as it would require knowledge of future economic events that we do not possess. We do not employ the hunch-based practice of “Market Timing.”

Over the long-term, the impact of market risk diminishes. That is why we encourage you to invest over long time horizons and not to be overly concerned about short-term market fluctuations.

### **Sector Risk**

Often companies of a similar type or that produce a similar product are grouped into sectors. The companies within sectors tend to react to economic news in a similar manner.

We manage sector risk by diversifying your investments across different asset types and by using broad-based (i.e., not sector-specific) mutual funds, index funds, and exchange-traded funds.

### **Specific-Company Risk**

This is the risk that an investment in a particular company may underperform other similar companies or may fail completely. This could occur even if the market as a whole is performing well.

We manage this type of risk primarily by using pooled investment vehicles, such as mutual funds, index funds, and exchange-traded funds. We favor pooled investments that invested in at least 25 companies.

We also manage this risk by examining the experience of fund managers that are managing these pooled investments.

In order to minimize the negative impacts of a single investment, we strongly encourage that no individual company represent more than 5% of your overall portfolio. We also recommend that you avoid concentrated investments in your employer's stock.

### **Political Risk**

This is the risk that an investment's value could be impacted by political or governmental change. With the general stability of the United States political system, this risk is more frequently associated with international investments.

We manage political risk in your international asset allocations by selecting broad-based mutual funds, index funds, and exchange-traded funds. We look for funds lead by experienced managers with proven records of accomplishment in international investments. Additionally, we diversify your portfolio across multiple countries and geo-political regions.

### **Reinvestment Risk**

This is the risk that investment asset values will change due to interest rate changes. This downward risk generally increases in interest rate environments that are trending upward.

We manage this risk by keeping the aggregate bond duration in your portfolio on the shorter end of the spectrum, usually less than 7 years. This is particularly important in economic environments that face rising interest rates. Lower durations allow bond investments to react to interest rate changes more quickly than those with longer durations.

## Information Sources

The sources of information that we utilize in our business are extremely diverse. We utilize the following sources for constructing and monitoring your investment portfolio and for general economic analysis:

Stewardship Partners	Shareholder Service Group	The American College	Wall Street Journal	Calvert Investments
Financial Planning Association	John Mauldin, Thoughts from the Front Line	Brian Wesbury, First Trust Portfolios	Various Print Trade Publications	US Bureau of Economic Analysis
Financial Times	Forefield	eVALUEator	Yahoo Finance	Steele Systems
US Census Bureau	US Bureau of Labor Statistics	Kingdom Advisors	Bill Gross, PIMCO	Standards & Poor
Morningstar	Socialfunds.com	PAX World	AdvisorOne	Pershing
IRS	Nick Murray	Google News	Google Finance	Others not listed

Utilizing this diverse group of information sources allows us to hear multiple, opposite points of view regarding economic conditions and projections. We utilize our experience to synthesize these views into our own opinion on economic conditions. Our opinions guide our internal operations and may be expressed to you in verbal and quarterly written communications.

## Item 9—Disciplinary Information

We are required and pleased to disclose material facts regarding any legal or disciplinary events that we have been involved in. This would be important in your evaluation of our services and the integrity of our management.

We have had no legal or disciplinary actions applicable to this Item.

## Item 10—Other Financial Industry Activities and Affiliations

### Custodian

We utilize Shareholder Service Group, Inc. (“SSG”) for custodial services for our Investment Portfolio Management clients. SSG offers a comprehensive service platform that serves the business and operational requirements of hundreds of registered investment advisers across the country.

SSG processes securities transactions under a fully disclosed clearing agreement with Pershing LLC, the largest wholesale securities clearing firm in North America. Pershing LLC provides brokerage execution, trade clearance, securities data processing and investment access to registered broker/dealers.

We chose to utilize Shareholders Service Group, Inc. and Pershing LLC for fundamental business reasons, including, but not limited to, reasonable trading fees, the lack of a minimum master account balance, a solid reputation in the industry, the breadth of investment vehicles offered, the support services they provide and their software platform.

Note that they were not chosen due to being the lowest-cost provider of custodial services. You may be able to find less expensive brokerage services in the marketplace.

### **Other Industry Affiliations**

In addition to the services described in Item 4, we provide income tax preparation services to select clients.

### **Item 11–Code of Ethics**

We have adopted a Code of Ethics for all employees that describes our high standard of business conduct and the fiduciary duty to our clients. All employees at our firm must acknowledge the terms of the Code of Ethics annually, or as amended.

Subject to satisfying this policy and all applicable laws, our officers, directors and employees may trade for their own accounts in securities that are recommended to our clients. Since there is always a possibility that employees might benefit from market activity by a client, employee trading is continually monitored to reasonably prevent conflicts of interest between our clients and us.

We are committed to upholding high standards of excellence as we work with our clients, the public, colleagues, and other employees. The owner and all employees of Tone Financial Advisors, LLC are committed to the principles on the following page.

### **Tone Financial Advisors, LLC Code of Ethics**

1. We will strive to conduct ourselves in a manner consistent with that of a Christian financial professional. We believe that God “owns it all” and that we are but temporary stewards of all that He has provided. As such, our methods of operating are extremely important.
2. We believe that our expertise is a direct result of God’s blessings rather than a result of our own human efforts.
3. We will always maintain a servant’s attitude as we work with our clients.
4. We will not participate in any activities in which our interests are placed above our clients’ interests. We will not place the pursuit of profit ahead of performing with honor and integrity.
5. We will strive to ensure that the advice offered to our clients is suitable and appropriate given our clients’ goals, objectives and current financial condition. We will not recommend any course of action that we would not also take if faced with the same situation.
6. We will not participate in any activity where there is a conflict of interest with our clients. We willingly disclose to our clients the nature of our compensation.
7. We will bill our clients fairly for time spent on their behalf, and will not accept compensation based on commissions, 12b-1 fees, rebates, kickbacks, or referral fees.
8. We can and do invest in securities that may be found in our clients’ portfolios. All of these transactions must be cleared in advance by the Compliance Officer. These trading records are available for inspection at any time.
9. We will not charge our client’s for any activities that they do not value. If a client is not pleased with our work, we will either redo it or refund their fees, at their direction.
10. We have an ongoing commitment to continuing education and professional improvement so that we remain well qualified to effectively serve our clients. This includes the wisdom to recognize our personal limitations and to know when a client referral is necessary.
11. We will not disclose confidential information without the specific consent of our client. Confidentiality includes our maintaining proper and prudent physical and technological safeguards to protect client information.
12. We will not accept gifts from our clients that exceed \$25 in value.
13. We will not participate in spreading insider information, rumormongering or insider trading.
14. We will not talk poorly of our competitors’ motivations or intents.
15. Each calendar quarter, a minimum of 10% of our gross income will cheerfully be given to Christian causes.

16. Annually, 100% of profits, after the firm's employees have been allocated fair compensation, will be reinvested in the local community to improve and better humankind.

## **Item 12—Brokerage Practices**

Because of our relationship with our Custodian, we may receive free or discounted access to research, support software, training and other services. However, this does not result in higher fees to you. All of our clients share in the benefits received.

We generally require that all of your non-employer sponsored investment accounts be transferred to our Custodian, where we have access to tools that optimize our management of your portfolio.

Although it is not our preferred method, we may consider utilizing other brokers for trade execution on a case-by-case basis.

## **Item 13—Review of Accounts**

Our Investment Portfolio Management clients receive both quarterly reports and annual reviews of their portfolio. These reviews and reports are produced by Stephen Edward Tone, ChFC®.

For all other services, engagements terminate upon the delivery of the advice. There are no on-going or automatic reviews unless specifically requested.

You are encouraged to review your investment objectives and account performance and alert us when your investment objectives or financial situation changes.

## **Annual Meeting**

The results of our annual review are presented in person to you. During this annual meeting, we will begin by reconfirming your financial condition and personal values. A presentation is made on the current aspects of your portfolio, including its total value, 12-month performance, asset allocation structure, biblical or social responsibility compliance, other options in the marketplace, and any potential for further portfolio optimization. Any possible adjustments to the portfolio due to changed financial conditions are discussed as well.

## **Quarterly Reports**

Each calendar quarter a portfolio report is produced and delivered to you. These reports summarize the characteristics of your portfolio as of the end of the quarter, along with some personal insight into current economic conditions.

The quarterly reports contain information on your portfolio's overall value, biblical or social responsibility compliance, capital additions or withdrawals, and quarterly, year-to-date and 12-month performance.

## **Other Reports**

You will receive regular account statements on a monthly, bimonthly or quarterly basis directly from our Custodian.

## **Item 14–Client Referrals and Other Compensation**

We are a fee-only investment management firm and do not receive commissions on sales, 12b-1 fees, rebates, kickbacks or referral fees. We do not compensate anyone for referrals. All fees are received directly from our clients for services rendered.

## **Item 15–Custody**

We utilize an independent custodian to hold your investment assets. Other than your contractual authorization to deduct management fees directly from your account(s), we have no access to your account assets.

We do not have the ability to deduct fees from your employer-sponsored retirement accounts.

You will receive regular statements from our custodian and other broker dealers, banks or retirement plans that hold your investment assets. We urge you to carefully review these statements and compare our custodian's statements to the account statements that are provided by us. From time to time these records may differ due to accounting procedures, reporting dates, or valuation methodologies.

## **Item 16–Investment Discretion**

We prefer being granted complete discretionary authority by our Investment Portfolio Management clients. This authority allows us to select, identify, purchase and sell securities without prior trade-specific approval from you. In all cases, this discretion is exercised in a manner consistent with the stated investment objectives and guidelines as documented in your previously approved Investment Policy Statement.

Currently, 100% of our clients have granted us discretionary authority.

We may, on a case-by-case basis, accept non-discretionary instructions from our clients. Should you select that, all trades must be pre-approved by you prior to execution.

## **Item 17–Voting Client Securities**

You may receive proxies or other solicitations directly from our Custodian and broker dealers, banks or others that hold your investment assets.

As a matter of policy, we will not vote these proxies on your behalf. You retain the responsibility for voting proxies for all securities contained in your portfolio.

## **Item 18–Financial Information**

We are required and pleased to disclose information regarding our financial condition. This may be important in your evaluation of us and the integrity of our management.

Tone Financial Advisors, LLC is well capitalized, debt-free and has no financial commitments that impair our ability to meet contractual and fiduciary commitments to our clients and vendors. We have never been the subject of a bankruptcy proceeding.

In addition, no employee of ours has ever been the subject of a bankruptcy proceeding.

## **Item 19—Requirements for State-Registered Advisers**

The following additional information is required to be provided by all Wisconsin Registered Investment Advisers.

### **Principal Executive Officers and Management Persons**

#### **Stephen “Steve” Tone**

Legal Name: Stephen Edward Tone  
Current Position: President of Tone Financial Advisors, LLC  
Birth Year: 1958  
Professional Designations: Chartered Financial Consultant® (ChFC®) (see below)  
CRD #: 5103897  
Formal Education: California State University, BS, Computer Science, 1985  
The American College, Chartered Financial Consultant Program, 2006

#### ***The Chartered Financial Consultant (ChFC®) Designation***

A Chartered Financial Consultant® has completed the most extensive educational program required for any financial services credential. Each ChFC® has taken eight or more college-level courses on all aspects of financial planning from The American College, a non-profit educator with the highest level of academic accreditation.

The average study time for the program is over 400 hours, and advisors frequently spend years earning this coveted distinction. Each ChFC® must also complete a minimum of 30 hours of continuing education every two years and must meet extensive experience requirements to ensure that you get the professional financial advice you need.

Advisors with the ChFC® designation are required to serve you with the highest level of professionalism. The authority to use the ChFC® mark is granted by the Certification Committee of the Board of Trustees of The American College, and that privilege is contingent on adherence to strict ethical guidelines. All ChFC® advisors are required to do the same for clients that they would do for themselves in similar circumstances, the standard of ethical behavior most beneficial for their clients.

More information on the ChFC® designation is available on the Internet at [www.chfchigheststandard.com](http://www.chfchigheststandard.com).

#### ***Recent Business and Employment Background***

2005 – present	Tone Financial Advisors, LLC, President
2008 – 2011	City of Stoughton, Alderman, and Chair of the Finance Committee
2010 – 2011	Yahara River Grocery Cooperative, Board of Directors
2000 – 2005	Tone Business Advisors, President

### ***Other Business Background***

Prior to changing careers, Stephen Tone had spent over 18 years in the technology consulting field. Toward the end of that period, he served as Vice President of Project Services for SPR, Inc., a public company delivering large-scale technology solutions to Fortune 1000 companies throughout the Midwest. He was responsible for a department of over 200 employees spread across four branch offices.

### **Other Employees**

There are no other employees at this time.

All future employees that determine or give investment advice to our clients will be required to have a college degree, specific training in the financial planning field, must be registered with the Wisconsin Department of Financial Institutions and have no past securities violations.

### **Other Businesses**

Due to a long-term technology development commitment, we continue to provide one client with web development services. This presents no conflict of interest with our other clients, and represents a minor addition to our income stream.

### **Arbitration Claims, Civil, SRO and Administrative Proceedings**

We are required and pleased to disclose information regarding any arbitration, civil, self-regulatory organization or administrative proceedings against us. These may be important in your evaluation of us and the integrity of our management.

No employee of ours has ever been involved in any administrative or legal proceedings involving an investment or an investment-related business or activity, fraud, false statements, or omissions, theft, embezzlement, or other wrongful taking of property, bribery, forgery, counterfeiting, extortion, or dishonest, unfair or unethical practices.