



**Serene Financial Solutions, LLC**

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Gaithersburg, MD 20878

**FORM ADV PART 2A  
BROCHURE**

(240) 840-6159  
[www.serenefinancialsolutions.com](http://www.serenefinancialsolutions.com)

**Date of Brochure: March 22, 2024**

This brochure provides information about the qualifications and business practices of Serene Financial Solutions, LLC. If you have any questions about the contents of this brochure, contact us at (240) 840-6159. 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 Serene Financial Solutions, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Serene Financial Solutions, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.



## Item 2: Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the filing of our last annual updating amendment dated March 22, 2024, we have made the following disclosures to our Brochure:

- The Form ADV Brochure remains unchanged since the last annual updating amendment.



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## Item 4: Advisory Business

### Description of Services and Fees

Serene Financial Solutions, LLC is a fee-only registered investment adviser firm founded by Mary Thomas-Spruill. Mrs. Thomas-Spruill is the principal owner of the firm. We are organized as a limited liability company under the laws of the State of Maryland. We have been providing investment advisory services since 2020. Currently, we offer the following investment advisory services, which are personalized to each individual client:

- Portfolio Management Services
- Financial Planning Services
- Educational Seminars and Workshops
- Financial Consulting Services
- Tax Preparation Services

Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we", "our" and "us" refer to Serene Financial Solutions, LLC and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person throughout this Brochure. As used in this Brochure, our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm.

### Portfolio Management Services

We offer discretionary and non-discretionary portfolio management services. Our investment advice is tailored to meet our clients' needs and investment objectives. If you retain our firm for portfolio management services, we will meet with you to determine your investment objectives, risk tolerance, and other relevant information at the beginning of our advisory relationship. We will use the information we gather to develop a strategy that enables our firm to give you continuous and focused investment advice and/or to make decisions on your behalf. As part of our portfolio management services, we will customize a portfolio for you according to your risk tolerance and investment objectives. We may also invest your assets using a predetermined strategy, or we may invest your assets according to one or more model portfolios developed by our firm. Once we construct an investment portfolio for you, or select a model portfolio, we will monitor your portfolio's performance on an ongoing basis, and will rebalance the portfolio as required by changes in market conditions and in your financial circumstances.

If you participate in our discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities, and the number of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is granted by the investment advisory agreement you sign with our firm and the appropriate trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing. If you enter into nondiscretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account.

In order to manage your portfolio according to your needs, we must first prepare a written financial plan. Consequently, prior to engaging us for Portfolio Management services, we require that you engage Serene Financial Solutions, LLC to prepare a financial plan.



## **Financial Planning Services**

We offer financial planning services which involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. These services can range from broad, comprehensive, financial planning to consultative or single-issue planning. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. We will also use financial planning software to determine your current financial position and to define and quantify your long-term goals and objectives. Once we specify those long-term objectives (both financial and non-financial), we will develop shorter-term, targeted objectives. Once we review and analyze the information you provide to our firm and the data derived from our financial planning software, we will deliver a written plan to you, designed to help you achieve your stated financial goals and objectives. Your personalized financial plan includes some or all of the following:

- Financial Counseling
- Cash Flow Analysis & Recommendations
- Budget: Income & Expenses
- Debt Elimination Analysis & Strategies
- Income Protection & Growth Strategies
- Education Planning
- Retirement Planning
- Tax Planning and Preparation
- Estate Planning
- Personal Insurance Solutions
- Employee Benefits Review
- Social Security Optimization
- Ongoing Monitoring
- Financial Education to Create a Serene Financial Foundation

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to us. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

## **Educational Seminars and Workshops**

We offer educational programs and workshops on a variety of topics, including but not limited to budgeting, retirement planning, and investment planning, where the nature of the material will be general investment advice to both non-professionals and professionals alike, as well as financial planning seminars.

The investment recommendations and advice offered by Serene Financial Solutions and your Advisory Representatives are not legal advice or accounting advice. You should coordinate and discuss the impact of financial



advice with your attorney and/or accountant. Our primary goal is to help our clients identify and pursue their financial goals, thereby enhancing the overall quality of their lives.

### **Financial Consulting Services**

We offer financial consulting services primarily involve advising clients on specific financial-related topics. The topics we address may include, but are not limited to, risk assessment/management, investment planning, financial organization, or financial decision making/negotiation.

### **Tax Compliance Preparation Services**

To the extent specifically requested by a client, we provide coordinated tax compliance, planning, preparation and consulting services (collectively referred to as “tax services”) for planning levels II and III clients as an integrated part of our investment advisory services. We also provide tax services on a stand-alone basis, pursuant to a separate tax engagement agreement, to individuals, businesses and family offices. The Firm’s tax planning practice includes employees who are enrolled agents (EAs), who are federally authorized tax practitioners with technical expertise in the field of taxation and are qualified to represent tax payers before all administrative levels of the Internal Revenue Service for audits, collections and appeals. Although Serene Financial Solutions, LLC is a registered investment adviser under the Investment Advisers Act of 1940 (“Advisers Act”), Serene Financial Solutions, LLC is not serving in a fiduciary capacity in its provision of stand-alone tax services and will not provide ongoing financial planning or investment advisory services with respect to stand-alone tax clients’ assets or accounts. For clients who receive tax services on a stand-alone basis, we may recommend the Firm be retained as their investment adviser pursuant to a separate investment advisory agreement; however, such clients are under no obligation to do so. Serene Financial Solutions, LLC may also recommend the services of other, non-affiliated professionals to provide tax services. Our clients are under no obligation to engage the services of any such recommended professional. It is solely up to our clients as to whether they accept or reject any recommendation made by the Firm.

### **Wrap Fee Program(s)**

We do not participant in any wrap fee programs.

### **Types of Investments**

We primarily offer advice on equity securities, corporate debt securities, certificates of deposit, municipal securities, as well as investment company securities such as mutual funds and exchange traded funds (ETFs).

Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

### **Assets Under Management**

Our total assets under management are approximately \$3,191,845 as of March 22, 2024, including \$3,191,845 managed on a discretionary basis and \$0 managed on a non-discretionary basis.



## General Information

Serene Financial Solutions, LLC does not provide legal, accounting or insurance services. With your consent, we may work with other professional advisors, such as an accountant, attorney or insurance representative to assist with coordination and implementation of accepted strategies. You should be aware that these other entities will charge you separately for their services and these fees will be in addition to our own advisory fee.

Our firm will use its best judgment and good faith effort in rendering its services. Serene Financial Solutions, LLC cannot warrant or guarantee the achievement of a planning goal or any particular level of account performance or that your account will be profitable over time. Past performance is not necessarily indicative of future results.

Except as may otherwise be provided by law, our firm will not be liable to the client, heirs, or assignees for any loss an account may suffer by reason of an investment decision made or other action taken or omitted in good faith by our firm with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; any loss arising from our adherence to your direction or that of your legal agent; any act or failure to act by a service provider maintaining an account.

Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith and, therefore, nothing contained in this document or our client engagement agreement shall constitute a waiver of any rights that a client may have under federal and state securities laws.

## Item 5: Fees and Compensation

### Planning Levels

We charge a comprehensive fixed-fee for planning level services, which ranges between \$2,400 to \$15,000 annually, depending on the complexity of the planning level and the individual or family status. The fee is negotiable depending upon the complexity and scope of the plan, your financial situation, and your objectives. Additionally, this service requires a 12-month contract, which is paid monthly.

	<b>Monthly Fee</b>
<b>Financial Planning</b>	<b>\$200 - \$1,250</b>

We will not bill an amount above \$500.00 more than 6 months in advance of the delivery of the financial plan to the client. In the event of early termination, the client will be billed for the hours worked at a rate of \$150.00 per hour, and the client will be refunded the difference.

Serene Financial Solutions, LLC will assess an ongoing monthly fee ranging from \$200 to \$1,250, which is paid in advance each month. We require the first month's fee to be paid upon engagement. Payment is made through a third-party payment processor paid via ACH draft or credit card. This service may be terminated with 30 days' notice. Upon termination of any account, the fee will be prorated and any unearned fee will be refunded to the client. Unearned fees will only be provided via check from a US-based financial institution; no credits or "transaction reversals" will be issued to an account.

FINANCIAL SERENITY JOURNEY PLANNING LEVELS			
LEVEL OF COMPLEXITY			
MONTHLY FEE			
	Planning Level I	Planning Level II	Planning Level III
Individual	\$200	\$500	\$900
Family	\$350	\$650	\$1,250
PLAN SERVICES			
Business Planning			●
Executive Compensation			●
Estate Planning		●	●
Stock Options		●	●
Tax Preparation		●	●
Tax Planning		●	●
Retirement Distribution		●	●
Long-Term Care		●	●
Social Security Optimization	●	●	●
Disability	●	●	●
Retirement Accumulation	●	●	●
Investment Management (Including employer 401k)	●	●	●
Education Planning	●	●	●
Employer Benefits	●	●	●
Insurance Planning	●	●	●
Debt Management	●	●	●
Cash Flow	●	●	●
Budget: Income & Expense	●	●	●
Financial Counseling	●	●	●
Monthly Client Meetings	●	●	●
Resource Library	●	●	●
Client Dashboard	●	●	●





**Tax Compliance and Preparation (Stand-Alone)**

Serene Financial Solutions, LLC professional fee for tax services is based on the complexity of the return, as determined by the number and type of forms required. We will be happy to provide a good faith estimate of the fee for preparation of your return; however, any inadvertent omissions by you will affect the accuracy of any such estimate. If Serene Financial Solutions LLC, begins preparing or completing your return and you then terminate the engagement, you will be invoiced and charged for the work completed to that point based on our current pricing sheet. Our professional fee is due on completion of the return and must be paid prior to the release or filing of your tax return. Balances remaining outstanding 10 days after completion of the return are subject to a service charge of 18% annually, compounded monthly. Payment is due at the time we complete our tax preparation services. Serene Financial Solutions, LLC tax preparation fees are negotiable depending on the level and scope of the service(s) required and the professional(s) rendering the service(s). We reserve the right to waive or reduce the fee at our discretion for investment advisory clients.

	<b>Tax Preparation Fees</b>
<b>Form 1040 without itemized deductions</b>	<b>\$390</b>
<b>Form 1040 with Schedule A</b>	<b>\$450</b>
<b>Form 1120S</b>	<b>\$903</b>
<b>Form 1120 – Corporation</b>	<b>\$903</b>
<b>Form 1065 – Partnership</b>	<b>\$903</b>
<b>Form 990 – Tax Exempt Organization</b>	<b>\$903</b>

**Educational Seminars and Workshops**

Our compensation arrangements for educational seminars and workshops are negotiable on a case-by-case basis and range from reimbursement of expenses for non-profit organizations up to a maximum of \$1,000. Payment is made through a third-party payment processor paid via ACH draft or credit card. Our fees are negotiable depending upon the complexity and scope of the services rendered. Depending on the arrangements made at the time of the engagement, we may agree to bill in arrears or require some, or all of the fee in advance. When fees for educational seminars or other speaking engagements are received in advance and the engagement is canceled or terminated prior to the date of the seminar, we will refund all prepaid fees less any non-refundable costs that we may have incurred such as non-refundable airfare. Refunds will only be provided via check from a US-based financial institution; no credits or “transaction reversals” will be issued to an account.

When Serene Financial Solutions, LLC partners with other organizations to deliver seminars, webinars and education presentations, we may receive compensation for such services. Webinars or webcasts refer to electronic delivery of educational programs.

**Financial Consulting Services**

We charge an hourly fee of \$150.00 for advisory consulting services. Our financial consulting services fee is negotiable, depending on individual client circumstances. Our consulting fee is payable upon completion of the agreed upon consulting services. You may terminate the advisory consulting services agreement at any time. Since fees are payable in arrears, you will be responsible for a prorated fee based on services performed.

**Compensation for the Sale of Securities or Other Investment Products**





We do not charge or receive a commission or mark-up on your securities transactions, nor will the firm or an associate be paid a commission on your purchase of a securities holding or insurance contract that we recommend to you. We do not receive “trailer” or SEC Rule 12b-1 fees from an investment company we may recommend for your portfolio. Fees charged by issuers are detailed in prospectuses or product descriptions and you are encouraged to read these documents before investing. Our firm and its associates receive none of these described or similar fees or charges.

You will always have the option to purchase recommended or similar investments through your own selected service provider.

### **Advance Payment for Certain Services**

As stated in your agreement with our firm, we may require advance payment under the following engagements:

- a set-up fee ranging from \$350 to \$1,000 is assessed to begin our financial planning engagement
- monthly fixed fee ranging from \$200 to \$1,250 per month for ongoing financial planning and investment consultation services

### **Additional Fees**

In addition to the advisory fees paid to Serene Financial Solutions, LLC – Planning Levels clients also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively “Financial Institutions”). These additional charges to third parties include securities brokerage commissions, transaction fees, custodial fees, charges imposed directly by a mutual fund or ETF in a client’s account, as disclosed in the fund’s prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. The Firm’s brokerage practices are described at length in Item 12, below.

### **Fee Discretion**

Serene Financial Solutions, LLC may, in its sole discretion, charge a lesser fee than those fees described above based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.

### **Termination of Services**

Either party may terminate the agreement at any time by written notice to the other party. If you verbally notify our firm of the termination and, if in two business days following this notification, we have not received your notice in writing, we will make a written notice of the termination in our records and send you our own termination notice as a substitute. Our firm will not be responsible for future allocations, investment advice or transactional services upon receipt of a termination notice. Upon termination, it will also be necessary that we inform the custodian of record that the relationship between the firm and the client has been terminated.

If our Form ADV Part 2 brochure was not delivered to you at least 48 hours prior to entering into the investment advisory contract with our firm, then you have the right to terminate the engagement without fee or penalty within five business days after entering into the agreement. Should you terminate a financial planning engagement with us



after this time period, you may be assessed a fee based upon the uppermost range of our disclosed hourly rate for any time that may have been incurred by our firm in the preparation of your analysis or plan.

For portfolio management services engagements, should you terminate the agreement after the five-day period, you will be assessed fees on a prorated basis for services incurred from either (i) as a new client, the date of the engagement to the date of the firm's receipt of the written notice of termination; or (ii) all other accounts, the last billing period to the date of the firm's physical or constructive receipt of written termination notice.

Earned fees in excess of any prepaid deposit will be billed at the time of termination and will be due upon receipt of our invoice. We will return any prepaid, unearned advisory fees within 30 days of our receipt of a termination notice. This will only be provided via check from a US-based financial institution; no credits or "transaction reversals" will be issued to an account.

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

We do not accept performance-based fees or participate in side-by-side management. Performance based fees are fees that are based on a share of a capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the Fees and Compensation section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## **Item 7: Types of Clients**

While our current client-base consists of individual investors, we are also available to families, their trusts and estates, as well as pension and profit-sharing plans. We encourage interested parties of all economic levels to seek our advisory services. We do not require minimum income, minimum asset levels or other similar preconditions. Serene Financial Solutions, LLC reserves the right to waive or reduce certain fees based on unique individual circumstances, special arrangements, or preexisting relationships. We also reserve the right to decline services to any prospective client for any non-discriminatory reason.

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

### **Methods of Analysis**

For all of our advisory services, we will first gather and consider several factors, including your:

- current financial situation
- current and long-term needs
- investment goals and objectives
- level of investment knowledge
- tolerance or appetite for risk
- reasonable investment restrictions involving your account(s)

Our research is drawn from sources that include financial periodicals, reports from economists and other industry professionals, annual reports as well as prospectuses and other regulatory filings.

### **Investment Strategies**



The primary investment strategy used on client accounts employs a blending of passive (or index) and active investing, in accordance with Modern Portfolio Theory, where passive investments are used as the basis or “core” of a portfolio and actively managed investments are added as “satellite” positions. The core represents the majority of the portfolio and the remainder of the portfolio employs holdings that take a shorter duration to assist in the over-or-under allocation to specific sectors, regions, assets classes, etc.

Portfolios are globally diversified to control the risk associated with traditional markets.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time.

Based on a client's goals and objectives, we work with each client to develop asset allocation targets for major asset classes, and sub-asset classes. Examples of major asset classes include equities, real estate (REITS), and fixed income. Examples of sub asset classes in equities include U.S. vs. International, Developed Markets vs. Emerging Markets, Large Cap vs. Small Cap, and Growth vs. Value. Examples of sub asset classes in real estate include U.S. vs. International. Examples of sub asset classes in fixed income include inflation indexed bonds vs. traditional bonds, cash, short vs. intermediate term, and U.S. vs. International.

All of a client's accounts including their taxable, IRA, Roth, SEP, Simple accounts are managed as a group. This is done because some asset class investments are more tax efficient than others.

Client accounts are reviewed on a monthly basis. The actual asset allocation is compared to the targeted asset allocation. Portfolios are rebalanced back to the asset allocation targets every three to twelve months. Also, rebalancing may be done when clients put new money into their accounts or take out money from their accounts.

### **Risk of Loss**

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-Rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy

process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

### **Recommendation of Particular Types of Securities**

We typically recommend portfolios that contain investment vehicles considered diversified, tax-efficient and low-cost whenever practical. It would be common to find a broad range of no-load and/or no transaction fee mutual funds, ETFs, and other mutual funds within a portfolio that we have designed. We may also recommend an investor retain pre-existing holdings when appropriate.

Serene Financial Solutions, LLC makes asset allocation decisions based on these and other factors. We will discuss with you how, in our best judgment, to meet your objectives while at the same time seeking a prudent level of risk exposure.

The firm believes its strategies and investment recommendations are designed to produce the appropriate potential return for the given level of risk. We cannot guarantee that an investment objective or planning goal will be achieved. Investing in securities involves risk of loss that clients should be prepared to bear.

### **Mutual Funds and Exchange Traded Funds**

Mutual funds and exchange traded funds ("ETF") are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day.

The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns.

Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely whereas "closed end" funds have a fixed number of shares to sell which can limit their availability to new investors.

ETFs may have tracking error risks. For example, the ETF investment adviser may not be able to cause the ETF's performance to match that of its Underlying Index or other benchmark, which may negatively affect the ETF's performance. In addition, for leveraged and inverse ETFs that seek to track the performance of their Underlying Indices or benchmarks on a daily basis, mathematical compounding may prevent the ETF from correlating with performance of its benchmark. In addition, an ETF may not have investment exposure to all of the securities included in its Underlying Index, or its weighting of investment exposure to such securities may vary from that of the Underlying Index. Some ETFs may invest in securities or financial instruments that are not included in the Underlying Index, but which are expected to yield similar performance.

### **Margin Disclosure Statement**

Our investment strategies do not generally employ the use of leverage (i.e. borrowing funds from the broker to open positions whose cumulative value exceeds the equity in the account), though the use of leverage does occur.

When securities are purchased, they may be paid for in full or part of the purchase price may be borrowed from the brokerage firm. The securities purchased are the brokerage's collateral for the loan. If the securities in the account decline in value, so does the value of the collateral supporting the loan, and, as a result, the firm can take action, such as issue a margin call and/or sell securities in any of the accounts held with the member, in order to maintain the required equity in the account.

Short selling requires the use of a margin account, as the securities used in the short sale are borrowed from the brokerage firm before they are sold. In the case of a short sale, cash received from the sale of the borrowed shares is held as collateral. If the short position declines in value, i.e. the borrowed shares rise in price, the value of the cash collateral supporting the borrowed shares declines, and, as a result, the broker can take action, such as issue a margin call and/or sell or buy to cover securities in any of the accounts held with the member, in order to maintain the required equity in the account.

It is important that you fully understand the risks involved in trading securities on margin. These risks include the following:

- You can lose more funds than you deposit in the margin account. A decline in the value of securities that are purchased on margin may require you to provide additional funds to the broker that has made the loan to avoid the forced sale of those securities or other securities in your account(s).
- The broker can force the sale of securities in your account(s). The broker can also force the purchase of securities in the case of short positions. If the equity in your account falls below the maintenance margin requirements under the law, or the broker's higher "house" requirements, the broker can exit positions in any of your accounts held at the firm to cover the margin deficiency. You also will be responsible for any short fall in the account after such actions.
- The broker can sell your securities, or buy back short positions, without contacting you. Some investors mistakenly believe that a firm must contact them for a margin call to be valid, and that the broker cannot liquidate securities in their accounts to meet the call unless the firm has contacted them first. This is not the case. Most brokers will attempt to notify their customers of margin calls, but they are not required to do so. However, even if a broker has contacted a customer and provided a specific date by which the customer can meet a margin call, the broker

can still take necessary steps to protect its financial interests, including immediately exiting positions without notice to the customer.

- You are not entitled to choose which positions in your account(s) are liquidated to meet a margin call. Because the securities are collateral for the margin loan, the broker has the right to decide which security to sell in order to protect its interests.
- The broker can increase its "house" maintenance margin requirements at any time and is not required to provide you advance written notice. These changes in broker policy often take effect immediately and may result in the issuance of a maintenance margin call. A failure to satisfy the call may cause the liquidation of positions in your account(s).

### Item 9: Disciplinary Information

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

### Item 10: Other Financial Industry Activities and Affiliations

We have not provided information on other financial industry activities and affiliations because we do not have any relationship or arrangement that is material to our advisory business or to our clients with any of the types of entities listed below.

- broker-dealer, municipal securities dealer, or government securities dealer or broker.
- investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund).
- other investment adviser or financial planner.
- futures commission merchant, commodity pool operator, or commodity trading advisor.
- banking or thrift institution.
- accountant or accounting firm.
- lawyer or law firm.
- insurance company or agency.
- pension consultant.
- real estate broker or dealer.
- sponsor or syndicator of limited partnerships.

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

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis.





Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

### **Statement Involving Our Privacy Policy**

We respect the privacy of all clients and prospective clients (collectively termed “customers”), both past and present. It is recognized that you have entrusted our firm with non-public personal information, and it is important that both access persons and customers are aware of firm policy concerning what may be done with that information.

The firm collects personal information about customers from the following sources:

- Information customers provide to complete their financial plan or investment recommendation.
- Information customers provide in engagement agreements and other documents completed in connection with the opening and maintenance of an account.
- Information customers provide verbally; and
- Information received from service providers, such as custodians, about customers’ transactions.

The firm does not disclose non-public personal information about our customers to anyone, except in the following circumstances:

- When required to provide services, our customers have requested.
- When our customers have specifically authorized us to do so.
- When required during the course of a firm assessment (i.e., independent audit); or
- When permitted, or required by law (i.e., periodic regulatory examination).

Within the firm, access to customer information is restricted to personnel that need to know that information. All access persons and service providers understand that everything handled in firm offices are confidential and they are instructed not to discuss customer information with someone else that may request information about an account unless they are specifically authorized in writing by the customer to do so. This includes providing information about a spouse’s IRA or a parent’s account.

To ensure security and confidentiality, the firm maintains physical, electronic, and procedural safeguards to protect the privacy of customer information.

The firm will provide our customers with its privacy policy on a annual basis per regulatory guidelines and at any time, in advance, if firm privacy policies are expected to change.

### **Participation or Interest in Client Transactions**

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

### **Personal Trading Practices**





Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

## Item 12: Brokerage Practices

We recommend the brokerage and custodial services of Charles Schwab Corporation or Altruist Financial LLC, security broker-dealer(s) and member(s) of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. We believe that Charles Schwab Corporation and Altruist Financial LLC, provides quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by Charles Schwab Corporation and Altruist Financial LLC, including the value of the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services Charles Schwab Corporation and Altruist Financial LLC provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

### Research and Other Soft Dollar Benefits

In selecting or recommending a broker-dealer, we will consider the value of research and additional brokerage products and services a broker-dealer has provided or will provide to our clients and our firm. Receipt of these additional brokerage products and services are considered to have been paid for with "soft dollars." Because such services could be considered to provide a benefit to our firm, we have a conflict of interest in directing your brokerage business. We may have an incentive to select or recommend a broker-dealer based on your interest in receiving the research or other products or services, rather than on your client's interest in receiving most favorable execution.

Products and services that we may receive from broker-dealers may consist of research data and analyses, financial publications, recommendations, or other information about particular companies and industries (through research reports and otherwise), and other products or services (e.g., software and data bases) that provide lawful and appropriate assistance to our firm in the performance of our investment decision-making responsibilities. Consistent with applicable rules, brokerage products and services consist primarily of computer services and software that permit our firm to effect securities transactions and perform functions incidental to transaction execution. We use such products and services in our general investment decision making, not just for those accounts for which commissions may be considered to have been used to pay for the products or services.

The test for determining whether a service, product or benefit obtained from or at the expense of a broker constitutes "research" under this definition is whether the service, product or benefit assists our firm in investment decision-making for discretionary client accounts. Services, products or benefits that do not assist in investment decision-making for discretionary client accounts do not qualify as "research." Also, services, products or benefits that are used in part for investment decision-making for discretionary client accounts and in part for other purposes (such as accounting, corporate administration, recordkeeping, performance attribution analysis, client reporting, or investment decision-making for the firm's own investment accounts) constitute "research" only to the extent that they are used in investment decision-making for discretionary client accounts.



Before placing orders with a particular broker-dealer, we determine that the commissions to be paid are reasonable in relation to the value of all the brokerage and research products and services provided by that broker-dealer. In some cases, the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts charged by another broker-dealer that did not provide research services or products.

We do not exclude a broker-dealer from receiving business simply because the broker-dealer does not provide our firm with soft dollar research products and services.

However, we may not be willing to pay the same commission to such broker-dealer as we would have paid had the broker-dealer provided such products and services.

The products and services we receive from broker-dealers will generally be used in servicing all of our clients' accounts. Our use of these products and services will not be limited to the accounts that paid commissions to the broker-dealer for such products and services. In addition, we may not allocate soft dollar benefits to your accounts proportionately to the soft dollar credits the accounts generate. As part of our fiduciary duties to you, we endeavor at all times to put your interests first. You should be aware that the receipt of economic benefits by our firm is considered to create a conflict of interest.

We have instituted certain procedures governing soft dollar relationships including preparation of a brokerage allocation budget, mandated reporting of soft dollar irregularities, annual evaluation of soft dollar relationships, and an annual review of our brochure to ensure adequate disclosures of conflicts of interest regarding our soft dollar relationships.

### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

### **Directed Brokerage**

We do not trade away from the client's custodian, and we do not permit directed brokerage. As with directed brokerage the client could pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

### **Block Trades and Aggregation**

Transactions for each client generally will be affected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. In certain situations, we will (but are not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among our client's differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among our client's pro rata to the purchase and sale orders placed in a particular block. It should be noted that there can be multiple blocks for the same securities in a day. The average and allocation may not be among all blocks in a day. To the extent that we determine to aggregate client orders for the purchase or sale of securities, we shall generally do so in accordance with applicable rules promulgated under the Advisers Act. We shall not receive any additional compensation or remuneration as a result of the aggregation. In the event that we determine that a prorated allocation is not appropriate under the particular circumstances, the



allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, we may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

The Firm in certain instances may determine that the purchase, sale or exchange of the same security is in the best interests of more than one client, which may include discretionary accounts and non-discretionary accounts. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

## Item 13: Review of Accounts

### Portfolio Management Account Review

Mary Thomas-Spruill, MBA, EA, AFC, will monitor your accounts on a periodic basis and will conduct account reviews at least monthly to ensure the advisory services provided to you and that the portfolio mix is consistent with your stated investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals,
- year-end tax planning,
- market moving events,
- security specific events, and/or,
- changes in your risk/return objectives.

You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

### Financial Plan Review

Mary Thomas-Spruill, MBA, EA, AFC, will review your financial plans quarterly to ensure that the planning advice and/or asset allocation recommendations made to you are consistent with your stated investment needs and objectives. Written updates to the financial plan will be provided in conjunction with the review. Such reviews and updates will be included in our comprehensive fixed-fee.

## Item 14: Client Referrals and Other Compensation

We do not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.



Refer to the Brokerage Practices section above for disclosures on research and other benefits we may receive resulting from our relationship with your account custodian.

## **Item 15: Custody**

### **Limited Custody**

With your authorization, the custodian of your account(s) will directly debit your designated account(s) for the payment of our investment management fees in accordance with the procedures described in this brochure at Item 5, Fees and Compensation. You will not give Serene Financial Solutions, LLC authority to withdraw any securities or funds other than for purposes of its direct deductions of its investment management fees from your account. The ability to directly deduct advisory fees from your account(s) causes Serene Financial Solutions, LLC to exercise constructive or limited custody over your funds and/or securities. Your funds and securities will be held with a bank, broker/dealer, or other independent qualified custodian. Serene Financial Solutions, LLC does not accept physical custody of any of your funds and/or securities. Serene Financial Solutions, LLC does not accept securities certificates or forward securities certificates to your custodian.

### **Account Statements**

Client assets are typically held at Charles Schwab Corporation or Altruist Financial LLC, qualified custodian(s).

Clients will receive their monthly and/or quarterly account statements directly from the designated broker/dealer, bank or other qualified custodian of their account(s). These account statements may be delivered electronically by custodian, in accordance with the terms of the custodial agreement/trading authorization forms executed by the client. Clients should carefully review the account statements delivered by their custodian(s) for accuracy and compare them with the written fee invoices we will separately provide (if applicable). In the event you should also receive any account statements from Serene Financial Solutions, LLC, we strongly encourage you to compare the account statements received from the qualified custodian with those provided by our firm.

### **Performance Reports**

Clients are urged to compare the account statements received directly from the custodian of their assets to any performance report statements provided by Serene Financial Solutions, LLC.

## **Item 16: Investment Discretion**

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement and the appropriate trading authorization forms.

You may grant our firm discretion over the selection and number of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Refer to the Advisory Business section in this brochure for more information on our discretionary management services.



If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

### **Item 17: Voting Client Securities**

Without exception, we will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies. Although we do not vote client proxies if you have a question about these items feel free to contact us at our principal mailing address.

We will have no power, authority, responsibility, or obligation to take any action with regard to any claim or potential claim in any bankruptcy proceeding, class action securities litigation or other litigation or proceeding relating to securities held at any time in a client account, including, without limitation, to file proofs of claim or other documents related to such proceeding, or to investigate, initiate, supervise or monitor class action or other litigation involving client assets. You should review external model managers' advisory brochure to determine their policy with respect to any claim or potential claim in any bankruptcy proceeding, class action securities litigation or other litigation or proceeding relating to securities held in a client account.

### **Item 18: Financial Information**

We are not required to provide a balance sheet or other financial information to our clients because we do not require the prepayment of fees in excess of \$500 and six months or more in advance; we do not take custody of client funds or securities; and, we do not have a financial condition that is reasonably likely to impair our ability to meet our commitments to you. Moreover, this firm has not been the subject of a bankruptcy petition.

### **Item 19: Requirements for Stated-Registered Advisers**

Refer to the Part(s) 2B for background information about management personnel and those giving advice on behalf of our firm.

Neither our firm, nor any persons associated with our firm are compensated for advisory services with performance-based fees. Please refer to the Performance-Based Fees and Side-By-Side Management section above for additional information on this topic.

Neither our firm, nor any of our management persons have any reportable arbitration claims, civil, self-regulatory organization proceedings or administrative proceedings.

Neither our firm, nor any of our management persons have a material relationship or arrangement with any issuer of securities.



## Item 20: Additional Information

### **Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

### **Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit. Moreover, we do not determine whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf.