



# Falcon Financial of Oklahoma, LLC

*2022 Annual Disclosure Brochure (Part 2A of Form ADV) for CRD#144612*

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**This brochure provides information about the qualifications and business practices of Falcon Financial of Oklahoma, LLC (FFO). If you have any questions about the contents of this brochure, please contact us at 405.752.7072. 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.**

**Falcon Financial of Oklahoma is a registered investment adviser. Registration of an Investment Adviser (IA) does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.**

**Additional information about Falcon Financial of Oklahoma, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 Summary of Material Changes**

### **Since September 20, 2022**

Form ADV Part2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. Each year registered investment advisers are required to provide prospects and all clients requesting an updated brochure with the current updated brochure. If there are 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. This page discusses only the material changes made to the brochure since the last annual update filed September 20, 2022.

#### **Material Changes for Falcon Financial of Oklahoma, LLC as of 03/07/2023.**

No material changes.

## **Item 3 Table of Contents**

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## **Item 4 Advisory Business, Company Information, Description of Services**

### **Description of Firm:**

Falcon Financial of Oklahoma, LLC is a registered investment adviser based in Oklahoma City, Oklahoma. We are organized as a limited liability company ("LLC") under the laws of the State of Oklahoma. We have been providing investment advisory services since July 2007. We are owned by Christi Suzanne Powell. Currently, we offer the following investment advisory services:

- Portfolio Management Services
- Financial Planning Services

The following paragraphs describe our services and fees. 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 Falcon Financial and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

### **Business:**

FFO is actively engaged in comprehensive financial planning and portfolio management services. Principal business is investment management which is provided on a continuous basis. The investment advice is custom tailored to meet the needs and investment objectives of the client. We meet with you to determine your investment objectives, risk tolerance, and other relevant information at the beginning of our relationship. Subject to any written guidelines which you may provide, FFO manages your accounts in consultation with you and subject to your approval.

Once the portfolio is constructed, FFO provides ongoing supervision. FFO has discretionary authority with its clients where FFO executes trades without prior client authorization. Discretionary authority allows us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority does not extend to employer provided retirement accounts or insurance products.

### **Financial Planning Services**

FFO offers financial planning services to individuals, and high net worth individuals that are tailored to the complexity of their individual and family needs and assets.

The services can include:   Cash Flow Planning  
  Retirement Planning

Investment Planning  
Charitable Giving  
Social Security and Medicare Planning  
Tax Planning  
Insurance Review  
Estate Planning  
Education Planning  
Business Continuity Planning

Additional consultation concerning debt management, non-security asset(s) purchase or sale, such as rental real estate or vehicles, and personal document management is also available. Fee arrangements are discussed in the following pages.

The financial planning process consists of a series of steps taken to help you, our client, accomplish your goals. An Investment Adviser Representative (IAR) of FFO conducts an initial complimentary consultation. If all parties agree to the scope of the engagement and the fee, the IAR conducts a follow-up meeting to gather all required documents and pertinent information about your financial circumstances, your objectives, personal cash flow, taxes, insurance coverage, retirement plans, investments, estate documents, financial experience, and risk tolerance. Once all the information has been reviewed and analyzed, a written financial plan is designed to help you achieve your stated financial goals and is presented to you with extensive explanation. Ongoing updating and refining are done when your circumstances or goals change or there is a pertinent change in the law affecting you or your assets. The primary objective of the financial planning process is to allow us to assist you in developing a strategy for the successful management of income, assets, and liabilities to meet your financial goals and objectives through discussion and analysis of appropriate financial planning topics as generally defined by the CFP® Board of Standards. At periodic reviews or more frequently if your needs change, additional updating of the plan will be discussed and implemented with your input and approval.

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.

### **Termination Provisions**

Either we or you may terminate the financial planning agreement within five days of the date of acceptance of the contract without penalty to you. Thereafter, you will incur a pro rata charge for financial planning services rendered prior to such termination. After the initial five-day period, either party may terminate the financial planning agreement by providing written notice to the other party. In the event there are any prepaid unearned fees, FFO will return a pro rata share to the client.

### **Additional Fees and Expenses**

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by you. You may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by manager, custodial fees, 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. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

Such charges, fees and commissions are exclusive of and in addition to our fee and we do not receive any portion of these commissions, fees, and costs.

### **Investment Management Services**

We provide on-going investment management services to our clients. We charge a fee for our services based on assets under management (AUM). The management is done by individuals with the CERTIFIED FINANCIAL PLANNER™ designation. Such persons are known as Investment Adviser Representatives (IARs). As of the date of this writing, there are two IARs at FFO: the owner, Christi Powell, CFP®, RICP®; and Tarsha House, CFP® candidate, dba TriUnity, LLC.

Portfolio management services are provided on a continuous basis and are tailored to meet your needs and objectives. The management is discretionary, meaning the IAR has an agreed upon authority to trade. It is our practice to discuss investments and management, meaning you and the IAR have agreed upon the security being traded (bought or sold) prior to placing the trade. IAR places trades, monitors investments, conducts ongoing research and suggests a custodian (broker or dealer) to execute the trades and provide independent statements.

During the financial planning process, we determine the portfolio needed to meet your goals. We use a risk tolerance questionnaire and ongoing conversations to help determine your level of comfort with portfolio volatility. We also examine your ability to tolerate volatility using a holistic view of your time frame, liquidity needs, marketability needs, net worth, employment, tax bracket and current income sources and living expenses need.

### **Types of Investments**

Falcon Financial of Oklahoma, LLC offers advice and consultation concerning the following types of investment products:

- Exchange-listed securities (individual companies, exchange traded funds (ETF), open ended Mutual Funds, closed-end mutual funds (CEF))
- Alternative Investments (Accredited Investors and continuous offerings)
- Securities traded over-the-counter
- Foreign issuers (ADR)
- Warrants
- Corporate debt securities (other than commercial paper)

Commercial paper  
Certificates of deposit  
Municipal securities  
Insurance: Life, Disability, Long term care  
Annuities  
United States government securities  
Option contracts on securities and commodities  
Interests in partnerships investing in real estate, oil and gas interests

In addition, we reserve the right to advise you on any other investment we deem appropriate based on your stated goals and objectives. We may also provide advice about any type of investment held in your portfolio at the inception of the advisory relationship.

You may specify restrictions on investments as a percentage of total portfolio value, exposure to specific industries, companies or geographic regions or exclude investments or brokerages according to your personal preferences.

**Assets Under Management**

As of 12/31/2022, Falcon Financial of Oklahoma, LLC managed 202 client accounts with an aggregate value of \$50,038,848. All accounts are managed on a discretionary basis. We also advise on an unmanaged basis 81 accounts with an aggregate value of \$21,748,696. Total assets under management equaled \$71,787,544.

## **Item 5 Fees and Compensation**

FFO provides services on a Fee-Only basis. At no time do we or any associated person receive compensation from securities, insurance, or other financial product sales.

The specific way we charge fees is established in your written contract. After the financial planning fee, we will bill ongoing fees on a quarterly calendar basis in arrears. In other words, your first quarter fee is billed in April. Fees are due when billed.

Accounts terminated during a calendar quarter will be charged a prorated fee.

### **Financial Planning Fees**

Falcon Financial of Oklahoma, LLC charges a planning fee ranging between \$800 and \$2,500 for comprehensive or modular financial planning as described above. Our hourly rate is \$150.00 per hour. Fifty percent (50%) of the planning fee is due when the engagement contract is signed, and all required documents and information have been delivered to us. Fifty percent is due upon delivery of the financial plan. We will not require prepayment of a fee more than six months in advance nor more than \$500.

You have the right to terminate the financial planning contract within five (5) business days after the effective date of said contract without penalty. To effect termination, you must notify us in writing. After five business days, we will refund a pro rata portion of the planning fee not applied to services rendered through that time. Our fee is based on the standard hourly fee stated in the preceding paragraph of this Disclosure Statement.

If during the creation of a Financial Plan, we and you agree that your Financial Plan requires a major revision due to changes in personal circumstances (resulting, for example, from the sale of a business or a divorce), an additional fee may be charged. We will quote this fee to you and receive your consent in advance of performing any work on the revision. The fee will range from \$150 to \$800 for the major revision.

Implementation of your Personal Financial Plan is not part of this Financial Planning Contract. Our financial planning services are analytical and advisory only and do not include any legal, accounting, or other professional service which may be required to implement your Financial Plan. However, if you choose to implement the financial plan through us, we will, at your request, facilitate and coordinate the necessary steps, in conjunction with your attorney and accountant or another identified representative. Implementation is governed by the Wealth Management and Investment Supervisory Services Contract. See that contract for the scope of services. Additional fees will be charged by us for implementation services provided. We will quote this fee to you and receive your consent to the fee in advance of performing implementation services. If you so desire, we will recommend specific investment and other financial products through which your plan can be specifically implemented.



Because changes in external and personal circumstances can have major planning implications, we strongly recommend you consider updating your Financial Plan periodically. As a Financial Planning only Client, if you wish to update your Financial Plan, you will provide us with any new data concerning your financial circumstances or objectives and we will notify you of the fee, ranging from \$150 to \$800, which will depend on the extent to which your situation has changed, and the required level of financial planning service. We retain the right to decline the updating services by giving you appropriate notice.

### **Wealth/Investment Management Fees**

Falcon Financial of Oklahoma, LLC charges a fee for ongoing wealth management/investment supervisory services. We are compensated for assets in your portfolio at the following annual rate due and payable quarterly in arrears after the end of a calendar quarter:

#### **Annual Fee Schedule**

<b>Assets Under Management</b>	<b>Annual Fee</b>
\$0 - \$250,000	1.00%
\$250,001 - \$500,000	0.75%
\$500,001 - \$1,000,000	0.50%
\$1,000,001 - \$3,000,000	0.40%
\$3,000,001 - \$5,000,000	0.30%
Above \$5,000,000	0.20%

The minimum fee charged is \$500 per year, which includes a one-time, non-refundable asset management setup fee of \$100 for new clients. You may terminate the portfolio management agreement upon written notice. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees, you will receive a prorated refund of those fees. Investment supervisory services may be terminated within five (5) business days of the effective date of contract at no charge.

If at any time your investment portfolio requires a major revision (resulting, for example, from the sale of a business, death, illness or divorce) an additional fee may be charged. We will quote this fee to you and receive your consent to it in advance of performing any work on the revision.

The additional fee will range between \$250 and \$1,000.

Fees are negotiable. Fees are due quarterly in arrears, when billed. Accounts set up to deduct fees are billed to Charles Schwab & Co., Inc. (Schwab) for payment from the designated account(s) each quarter. We will deduct our advisory fee only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by Schwab;
- We send you an invoice showing the amount of the fee, the value of the assets on which the fee is based, the time period covered by the fee, and the specific manner in which the fee was calculated; and
- Schwab agrees to send you a statement, at least quarterly, indicating all amounts disbursed from your account including the amount of the advisory fee paid directly to our firm.

We encourage you to reconcile our invoices with the statement(s) you receive from Schwab (or your preferred custodian if we have limited power of attorney). If you find any inconsistent information between our invoice and the statement(s) you receive from the qualified custodian, call our main office number located on the cover page of this brochure.

At our discretion, we may combine the account values of family members to determine the applicable advisory fee. For example, we may combine account values for you and your children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in you paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

### **Additional Fees and Expenses**

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. Their fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian.

To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, refer to the Brokerage Practices section of this brochure.

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

We do not receive any compensation for recommending any security or product, such as insurance or annuities. We are not licensed to sell insurance products.

## **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 based on a share of capital gains or capital appreciation in 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 based on a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## **Item 7 Types of Clients**

Our services are available to individuals and high net worth individuals. There is no minimum account requirement. We do have a minimum annual fee as described above.

### **Portfolio Management Accounts**

In general, we do not require a minimum dollar amount to open and maintain an advisory account. We may also combine account values for you and your children, joint accounts with your spouse, and other types of related accounts.

## **Item 8 Methods of Analysis**

1. Fundamental
2. Technical
3. Modern Portfolio Theory (MPT)

**Fundamental analysis** is an analysis of the publicly available financial data about a company or a fund and their industry groups. It is an attempt to determine if the past performance of the company can reasonably be expected to continue in the future. It involves analyzing the industry the company is in and its competitors to attempt to find the strongest, best managed or insulated (moat) of the peers. The resulting data is used to measure the true value of the company's stock compared to the current market value.

**Risk:** The risk of fundamental analysis is that information may be incorrect and/or the analysis may not provide an accurate estimate of earnings. Revenues drive earnings and earnings drive stock prices. But earnings may be difficult to measure accurately. Securities also trade on rumor and new information and our analysis is thus less useful. Fundamental analysis is also backward looking and therefore may not be accurate and requires regular updating.

**Technical analysis** looks at the movement of a security through a time frame. It is an attempt to look for trends, strength and underlying market support implied by technical metrics.

**Risks:** Technical analysis is also backward looking and therefore may not be accurate and requires ongoing monitoring.

**Modern Portfolio Theory (MPT)** is a more passive form of analysis centered on broad diversification across the major asset classes with some form of rebalancing back to the agreed upon percentage exposure. The expectation is that the value of these securities will grow over a long period of time (greater than one year). It is a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets.

**Risk:** MPT is also backward looking and emphasizes low-cost indexing. Active management, including factor weighted investing, may have better results than passive investing. Market risk is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification.

The main sources of information we use are:

Financial newspapers and magazines

Research material prepared by others

Corporate rating services

Annual reports, prospectuses and filings with the Securities and Exchange Commission.

We use both free and subscription sources, such as YCharts, Morningstar, Value Line and Schwab. There are no soft dollar benefits.

### **Investment Strategies:**

Once a security has been analyzed using the above listed methods and sources of information, we then implement investment decisions on an individual client basis. The investment strategies used to implement any advice given to you include long term purchases (securities held at least one year) and short-term purchases (securities sold within one year). Our primary strategy is preservation of capital weighed against return available. We use active mutual fund managers with at least three years of experience with the fund. No-load mutual funds with below average costs, index funds and exchange-traded funds (ETFs) are chosen for conformity to their index, probability of risk reduction, size, history, and cost. Individual securities are analyzed for quality of management, economic moat, valuation metrics, dividend and capital appreciation potential, and macroeconomic considerations. We pursue a buy and hold strategy as much as possible to lower costs.

**Long-term Purchases:** Securities purchased with the expectation the value of those securities will grow over a relatively long period of time, generally greater than one year.

**Risk:** A long-term purchase strategy assumes the financial markets will go up in the long-term. That may not be the case. There is also the risk the segment of the market we are invested in, or our specific security, will go down over time even if the overall market advances. Purchasing investments long-term may create an 'opportunity cost' due to locking up assets that may be better utilized in the short-term in other investments.

**Short-term Purchases:** Securities purchased with the expectation they will be sold or expire within a relatively short time, generally less than one year.

**Risk:** Using a short-term purchase strategy generally assumes we can predict how markets will perform in the short-term, which may be very difficult and may incur higher transaction costs and taxes compared to long-term trading. There are many factors affecting market performance short-term including short-term interest rate changes, cyclical earnings announcements and 'black swan' events. These factors may have a smaller impact over longer periods of time.

You will determine the level of risk you desire. All investments involve risk, including the risk of loss of principal. Each type of security has its own unique set of risks. It is also impossible to predict the future performance of any investment.

**It is important that you notify us immediately with respect to any material changes to your financial circumstances, including for example, a change in your current or expected income level, tax circumstances, or employment status.**

### **Tax Considerations**

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend you consult with a tax professional regarding the investing of your assets. Custodians and broker-dealers must report the cost basis of equities acquired in client accounts. Your custodian will default to the First-In First-Out ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

### **Risks of Loss:**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

All investments are subject to risks, any of which could cause an investor to lose money. When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential losses. The following risks may not be all-inclusive but should be considered carefully by you before retaining our services.

Your principal risks include:

- Market Risk
- Management Risk
- Equity Risk
- Large and Mid-Cap Risk
- Small-Cap Risk
- Foreign Investment Risk
- Emerging Markets Risk

Geographic Risk  
Derivatives Risk  
Securities Lending Risk  
REITs Risk  
Exchange Traded Fund (ETF) Risk  
Liquidity Risk  
Interest Rate Risk  
Inflation Risk  
Company Specific Risk  
Credit Risk  
Leverage Risk  
Currency Risk

## **Item 9 Disciplinary Information**

None.

## **Item 10 Other Financial Industry Activities And Affiliations**

Falcon Financial of Oklahoma, LLC does not have any arrangements that are material to its advisory business or its clients with a related entity such as a broker-dealer, insurance company or agency, or pension consultant. We do not do business under any other name. We manage all accounts in house. If we retain a third-party adviser at some point in the future, all fees associated with the decision, including those paid to the other adviser will be disclosed to you prior to retaining that adviser. FFO would not receive any commission, kick-back or referral fee from the other firm. However, the other firm might receive a fee for the assets under management.

We have one office location only and all our records are kept at that location. We have a web site, [www.falconfinancialok.com](http://www.falconfinancialok.com). We did not buy this business from another entity, and we are not registered in any foreign country.

### **Publications/Articles:**

We provide articles and videos on investing and financial planning topics free of charge via our website and email. The purpose of the writings is to educate investors about investing terminology and strategy and personal financial planning concepts. In no case does any article recommend specific securities and a disclaimer is provided to that effect. You may choose to receive or decline the writings.



## **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 concerning our practices. Our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm that are consistent with the laws and regulations. Our primary goal is to always protect your interests 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 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.

### **Participation of Interest in Client Transactions**

Neither our firm nor any persons associate with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure. Falcon Financial of Oklahoma, LLC does not buy or sell for itself securities that it also recommends to clients.

### **Personal Trading Practices**

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 could trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate 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. Principals may invest in what they recommend to clients but not to a degree that would influence the price you pay. Purchases made by the Adviser for her own personal or family-related accounts will not be done in such a manner as to adversely affect a client's position or purchase with regard to the security in question. Most securities purchased by us are individual securities, open-end and closed-end mutual funds or exchange-traded funds. Adviser also trades option contracts on stocks, indexes and exchange traded funds.

## **Item 12 Brokerage Practices**

### **The Custodian and Brokers We Use**

We recommend our clients use Charles Schwab & Co., a FINRA-registered broker-dealer, member SIPC, as the qualified custodian to maintain custody of clients' assets. We are independently owned and operated and not affiliated with Schwab or any other broker-dealer or custodian. Schwab holds your assets in a brokerage account as a "qualified custodian" and buys and sells securities when we instruct them to do so. While we recommend you use Schwab, you will decide whether to do so. We will assist you in opening your accounts and transferring assets to Schwab.

Falcon Financial of Oklahoma, LLC is given "limited power of attorney" which permits us to give instructions for securities transactions to the broker that allows said broker to rely on such instructions without first obtaining client approval. This has been interpreted as "discretionary authority".

We have a policy of asking you for permission (approval) before executing a security transaction, regardless of the discretionary authority given to us by way of an account agreement.

We occasionally aggregate trades among accounts or account holders.

We do not accept funds for client account(s) unless: 1. the check is made out to the client's brokerage account, 2. Client signs a receipt for the funds, and 3. We are able to deliver the funds electronically (Schwab) or to a local office or via certified mail within twenty-four (24) hours of receipt.

We provide an additional service for accounts not directly held in our custody, but where we do have discretion, and may leverage an Order Management System to implement tax-efficient asset location and opportunistic rebalancing strategies on behalf of the client. These are primarily 401(k) accounts, HSAs, and other assets we do not custody. We regularly review the available investment options in these accounts, monitor them, and rebalance and implement our strategies in the same way we do other accounts, though using different tools as necessary.

We use a third-party platform to facilitate management of held away assets such as defined contribution plan participant accounts, with discretion. The platform allows us to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the Client allowing them to connect an account(s) to the platform. Once Client account(s) is connected to the platform, Adviser will review the current account allocations. When deemed necessary, Adviser will rebalance the account considering client investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time,

minimize loss during difficult markets and manage internal fees that harm account performance. Client account(s) will be reviewed at least quarterly, and allocation changes will be made as deemed necessary and discussed with Client.

### **How We Select Brokers/Custodians**

We seek to select a custodian who will hold your assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others, these:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear and settle trades (buy and sell securities for your account)
- capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, mutual funds, exchange traded funds (ETFs) etc.)
- availability of investment research and tools that assist us in making investment decisions quality of services.
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them.
- reputation, financial strength, and stability of the provider their prior service to us and our other clients
- availability of other products and services that benefit us, as discussed below (see "Products and Services Available to Us from Schwab")

### **Your Custody and Brokerage Costs**

For our clients' accounts it maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account.

### **Products and Services Available to Us from Schwab**

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis. Here is a more detailed description of Schwab's support services:

### **Services That Benefit You:**

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

### **Services That May Not Directly Benefit You:**

Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering your accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab. Such research products and services are provided to all investment advisers that utilize the institutional services platforms of Schwab and are not considered to be paid for with soft dollars. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data.
- may facilitate payment of our fees from our clients' accounts, and
- assist with back-office functions, recordkeeping, and client reporting.

### **Services That Generally Benefit Only Us:**

Schwab also offers other services intended to help us manage and further develop our business enterprise. The services include:

- educational conferences and events;
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees.

### **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.

### **Block Trades**

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. We may, but are not obligated to, combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account and cash available, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share of all transactions and pay a proportionate share of all transaction costs on any given day. 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**

Investment accounts are monitored on an ongoing basis and reviewed at least annually for needed changes based on your needs and objectives. A change in your situation may also cause a review more frequently. Changes might include, but are not limited to:

- Contributions and withdrawals;
- Year-end tax planning;
- Market moving events;
- Security specific events; and/or
- Changes in your risk/return objectives.

Investment reports sent to you will provide portfolio performance and allocation. You have the option of receiving your quarterly reports in your secure client section (Portal) available on our website or quarterly reports sent via the U.S. Postal Service. Christi Powell, CFP®, RICP® is the adviser responsible for reviews.

Your holistic financial planning needs are addressed periodically during the year. Updates can either be written reports or discussions regarding specific planning needs you may have. Reviews are performed by the advisor assigned to you.

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

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12 – *Brokerage Practices*). The availability to us of Schwab's products and services is not based on us giving any particular investment advice, such as buying particular securities for our clients. Besides receiving referrals from clients, at times other professionals will refer clients to us. We have no special arrangements with these professionals and provide no additional compensation to anyone referring clients to the firm.

## **Item 15 Custody**

We offer direct billing to you for services rendered or authorization to have Schwab directly debit your account(s) for the payment of our advisory fees. FFO is deemed to have limited custody because advisory fees are directly deducted from your account by Schwab on our behalf. We rely on you to remit your payments upon receipt of your statement if you do not use Schwab's debiting service. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from your custodian at least quarterly and probably monthly. You should carefully review account statements for accuracy.

You should compare our account statements with the statements from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your account statement, or if you did not receive a statement from your custodian, please contact us directly at the telephone number on the cover page of this brochure.

## **Item 16 Investment Discretion**

We have or accept discretionary and/or non-discretionary authority for our client accounts. When managed on a discretionary basis, Falcon Financial of Oklahoma receives authority from the client to select the identity and the amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objective for the specific client account. If you prefer for us to have a non-discretionary relationship, all transactions will be approved and implemented by you. When selecting securities and determining amounts, we observe the investment policies, limitations, and restrictions of our clients. Any additional investment guidelines and restrictions must be provided to us in writing.

## **Item 17 Voting Client Securities**

As a matter of firm policy and practice Falcon Financial of Oklahoma, LLC does not have any authority to and does not vote proxies on behalf of advisory clients. You retain the responsibility for receiving and voting proxies for any all securities maintained in your portfolios. We may provide advice regarding your voting of proxies. You should contact Christi Powell with any questions regarding any proxies you may have.

## **Item 18 Financial Information**

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and we do not require the prepayment of more than \$500 in fees six or more months in advance, nor have we filed a bankruptcy petition at any time in the past ten years. Therefore, we are not required to include a financial statement with this brochure.

## **Item 19 Requirements For State Registered Advisers**

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

#### **Principal Executive Officer – Christi Powell**

Year of birth: 1955

#### **Educational Background and Business Experience**

B.S. in Dental Hygiene from the University of Oklahoma Health Sciences Center – 1978  
Falcon Financial of Oklahoma, LLC; Investment Advisor Representative/CCO; 07/2007 to Present.

#### **Professional Certifications**

CERTIFIED FINANCIAL PLANNER® (CFP®); Purdue Global University – 2007  
Retirement Income Certified Professional® (RICP®) designation; American College of Financial Services - 2017.

### **CFP® Designation Explanation**

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planner to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagement with Clients.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services and attain a bachelor's degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning.
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 2 3-hour session over a one-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances.
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.



Individuals who become certified must complete the following ongoing education and ethics requirements to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

### **RICP® Designation Explanation**

To obtain the right to use the RICP designation you must successfully complete the following requirements:

- Education – Complete three required courses in retirement income planning from the American College of Financial Services.
- Continuing Education – Complete 10 hours of continuing education each year.
- Ethics – Agree to the RICP® and American College of Financial Services Code of Ethics.

### **B. Business Engagements Other Than Investment Advice**

Christi serves in an advisory capacity on the board of Washita Capital, LLC, a private equity firm in Dallas, TX. She receives W2 compensation for her work with that firm. It involves approximately 10 hours per month. There is no overlap in the work performed for Washita and FFO.

### **C. Performance-based Fee Description**

Neither FFO nor its management receive performance-based fees.

### **D. Disclosure of Material Facts Related to Arbitration of Disciplinary Actions Involving Management Persons**

Neither FFO nor its management have been involved in any of the following:

1. An award or otherwise been found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - An investment or an investment-related business or activity;
  - Fraud, false statement(s) or omissions;
  - Theft, embezzlement or other wrongful taking of property;
  - Bribery, forgery, counterfeiting, or extortion;
  - Dishonest, unfair, or unethical practices.
2. An award or otherwise been found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
  - An investment or an investment-related business or activity;

- Fraud, false statement(s) or omissions;
- Theft, embezzlement or other wrongful taking of property;
- Bribery, forgery, counterfeiting, or extortion;
- Dishonest, unfair, or unethical practices.

**E. Material Relationship Maintained by this Advisory Business or Management Persons with Issuers of Securities**

There are no material relationships with issuers of securities to disclose.