
FIRM DISCLOSURE BROCHURE

Part 2A of Form ADV



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Item 1: COVER PAGE

DISCLAIMER:

This *FIRM BROCHURE* provides information about the qualifications and business practices of Carr Consulting P.A. If you have any questions about the contents of this *FIRM BROCHURE*, please contact us at 863-602-1274. The information in this *FIRM BROCHURE* has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Carr Consulting P.A. is available on the SEC's website at www.adviserinfo.sec.gov (the CRD number for Carr Consulting P.A. is, LLC is 129350).

NOTE:

While Carr Consulting P.A., may refer to itself as a "Registered Investment Advisor" or "RIA" Clients should be aware that registration itself does not imply any level or skill or training.

Item 2: MATERIAL CHANGES FROM PREVIOUS VERSION:

Carr Consulting P.A. is required to provide a summary of material changes. If there are material changes during our annual update, we will annually and within 120 days of the end of our fiscal year, provide you either: (i) a copy of our Form ADV, Part 2 that includes or is accompanied by a summary of material changes; or (ii) a summary of material changes that includes an offer to provide a copy of the current Form ADV, Part 2.

The following material changes have occurred since our last annual update dated 03/17/2021:

Form ADV Part 2, Item 3, Advisory Business – Discretionary Portfolio Management

- This section was updated to reflect the new date of this updated ADV Part 2 version

Form ADV Part 2, Item 3, Advisory Business – Non-Discretionary Portfolio Management

- This section was updated to reflect the new date of this updated ADV Part 2 version

Form ADV Part 2, Item 4, Fees And Compensation – Management Fee For Portfolio Management Services

- This section was updated to a new management fee of 1% for any asset under management, from a tiered fee system starting at 2.25% to negotiated.

Form ADV Part 2, Item 4, Fees And Compensation – Types of Clients

- This section was updated to reflect there are no account minimums, it was originally stated a minimum value of \$10,000 was required.

Form ADV Part 2, Item 11, Brokerage Practices

- This section was updated to reflect the Carr Consultings choice of Shareholders Service Group Inc. as its custodian.

We urge you to carefully review all subsequent summaries of material changes, as they will contain important information about any significant changes to our advisory services, fee structure, business practices, conflicts of interest, and disciplinary history.

You may obtain a copy of our Form ADV, Part 2 at any time by contacting Carr Consulting P.A. at 863-602-1274. The Firm's Form ADV, Part 1 and Form ADV, Part 2 are also available to our existing and prospective clients 24 hours a day through the SEC's Investment Adviser Public Disclosure website at adviserinfo.sec.gov.

Item 3: TABLE OF CONTENTS:

Item 1: COVER PAGE	1
Item 2: MATERIAL CHANGES FROM PREVIOUS VERSION:	2
Item 2: TABLE OF CONTENTS:	3
Item 3: ADVISORY BUSINESS:	4
Item 4: FEES AND COMPENSATION:	7
Item 5: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT:	9
Item 6: TYPES OF CLIENTS:	9
Item 7: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS:	9
Item 8: DISCIPLINARY INFORMATION	10
Item 9: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	10
Item 10: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	11
Item 11: BROKERAGE PRACTICES	12
Item 12: REVIEW OF ACCOUNTS	12
Item 13: CLIENT REFERRALS AND OTHER COMPENSATION	13
Item 14: CUSTODY	13
Item 15: INVESTMENT DISCRETION	13
Item 16: VOTING CLIENT SECURITIES	14
Item 17: FINANCIAL INFORMATION	14
Item 18: REQUIREMENTS FOR STATE-REGISTERED ADVISERS	14

Item 4: ADVISORY BUSINESS:

INTRODUCTION

Carr Consulting P.A., (hereafter “Carr Consulting”), is a fee-based investment adviser that offers two types of advisory services: Portfolio Management Services and Financial Planning Services. Carr Consulting is a newly formed investment advisory firm but the experience, education, and background of its principals and investments adviser representatives (hereafter ‘IA Reps”) can be found in the accompanying BROCHURE SUPPLEMENT document.

Carr Consulting’s principal owner is: John Malcolm Carr. Carr Consulting (hereafter “Carr Consulting”) who owns 100% of the company.

INITIAL CONSULTATION

Carr Consulting will begin by providing the Client a free initial consultation. Carr Consulting uses the initial consultation to:

- Introduce the Client to Carr Consulting’s firm, its services, and staff;
- Gather information about the Client’s investment objectives, financial condition, and risk tolerance, which Carr Consulting uses in forming its investment advice; and
- Reach an agreement on the terms of service and compensation arrangements.

The consultation must be completed before Carr Consulting will make any specific recommendations about the Client’s asset allocation or securities to buy or sell.

At the conclusion of the initial consultation, the Client will sign Carr Consulting’s Investment Advisory Agreement, which serves as the contract between the Client and Carr Consulting, specifying the precise nature of services to be rendered by Carr Consulting and fees to be paid by the Client.

PORTFOLIO MANAGEMENT SERVICES

If the Client elects Portfolio Management Services, the Client will have the choice of whether the portfolio management is performed on a discretionary or non-discretionary basis. Carr Consulting primarily seeks to manage Client accounts on a discretionary basis, but will also offer non- discretionary management services to those Clients that choose to enter their own transactions.

Whether discretionary or non-discretionary, Carr Consulting will evaluate the Client’s financial condition and risk tolerance in order to tailor its securities recommendations to meet the Client’s investment objectives and individual needs. Carr Consulting also allows the Client to impose any restrictions on investing in certain securities or types of securities.

Carr Consulting will make ongoing recommendations primarily involving: exchange-listed stocks, mutual funds, index funds, exchange-traded funds (ETFs), stock options, and bonds. Carr Consulting will not use margin or leveraged products. Given that the market will affect the value of these securities, Carr

Consulting will monitor Client accounts on a daily basis so that it may make any necessary transactions in discretionary accounts or make any necessary recommendations to Clients in non-discretionary accounts.

The securities mentioned above reflect a broad range of investment risk, including some securities that entail high degrees of risk, such as stock options.

Carr Consulting does not provide any “wrap programs” (programs that bundle brokerage and advisory services under a single comprehensive fee) so all securities recommended by Carr Consulting may include additional transaction charges by Shareholders Service Group Inc. separate from Carr Consulting’s advisory fees.

DISCRETIONARY PORTFOLIO MANAGEMENT

For discretionary accounts, the Client will grant Carr Consulting limited trading authority (discretionary authority) in the Client’s brokerage account by executing the appropriate documents with Shareholders Service Group Inc.. The discretionary authority will allow Carr Consulting to enter securities transactions on the Client’s behalf, determining which securities and the amount of securities to buy or sell. Clients will be notified of all transactions by trade confirmations from Shareholders Service Group Inc. and through communication with Carr Consulting.

Carr Consulting will also request the Client provide written authorization to allow Carr Consulting to automatically deduct its advisory fee from the Client’s account (discussed at greater length in the “FEES AND COMPENSATION” section of this *FIRM BROCHURE*); however, Carr Consulting will not have the authority to make any other withdrawals from the Client’s account(s) under management.

As all Clients will be recommended discretionary portfolio management, Carr Consulting anticipates the vast majority of its *Portfolio Management Services* will be rendered on a discretionary basis. With regard to current discretionary accounts, Carr Consulting had no discretionary assets under management at the time this document was prepared (03 March 2021).

Carr Consulting recommends the Client grant discretionary authority to Carr Consulting so that it may execute recommendations in a timely fashion, but Clients should always review their brokerage account statements to verify the trading activity and withdrawals that occur in their account(s).

NON-DISCRETIONARY PORTFOLIO MANAGEMENT

For non-discretionary accounts, Carr Consulting will prepare securities recommendations as it does for discretionary accounts, but will provide these recommendations to the Client directly so that the Client may enter the transaction on their own.

Since Carr Consulting will recommend all Clients grant it discretionary authority, Carr Consulting anticipates very little of its *Portfolio Management Services* to be rendered on a non-discretionary basis.

With regard to current non-discretionary accounts, Carr Consulting had no non-discretionary assets under management at the time this document was prepared (03 March 2021).

Since Carr Consulting merely recommends securities transactions for non-discretionary accounts, Clients should take measures to ensure that recommendations are executed in a timely fashion and should review their account(s) to ensure that transactions were entered properly.

FINANCIAL PLANNING SERVICES

If the Client elects *Financial Planning Services*, Carr Consulting may extend the initial consultation to include discussions necessary to begin creating a financial plan or may arrange a follow-up meeting to review additional information about the Client’s finances. In any case, the Client will have the choice to:

(a) Consult with Carr Consulting on the Client’s overall financial situation and obtain a comprehensive, written financial plan; or

(b) Consult with Carr Consulting on a specific topic or an individual security.

As the *Comprehensive Financial Plan* option would include the opportunity to discuss any specific topic or any individual security, Carr Consulting recommends this option for all new Clients. For returning Clients that need to consult with Carr Consulting on a specific topic or individual security, they can do so during an *Annual Financial Plan Review* or engage Carr Consulting for a *Separate Financial Planning Consultation*.

COMPREHENSIVE FINANCIAL PLAN

Carr Consulting will review all aspects of the Client's finances to prepare a written financial plan that makes comprehensive recommendations to help the Client meet their financial objectives. These areas of analysis include: overall asset allocation, securities recommendations, insurance needs, mortgage planning, consumer debt, retirement planning, college planning, trust & estate planning, savings & budgeting, and tax planning.

Carr Consulting will compile this financial information and use it to construct a *Comprehensive Financial Plan* tailored to the Client's specific financial situation. The written financial plan will typically be constructed within a month, but will never take longer than six months.

Clients can execute the *Comprehensive Financial Plan* on their own or Carr Consulting can assist in implementation. If *Portfolio Management Services* are recommended in the *Comprehensive Financial Plan*, Clients may engage Carr Consulting for those *Portfolio Management Services* as described above.

ANNUAL FINANCIAL PLAN REVIEW

As financial conditions or objectives change over time, Clients should engage Carr Consulting to review their financial plan annually. Largely, this review merely confirms the Client's financial information is accurate, evaluates whether the financial plan is reaching its goals, and makes any revisions needed.

However, at this annual review, Clients may also raise new objectives or discuss other financial topics of their choice. Also, if Clients experience life-changing events, they may initiate an *Annual Financial Plan Review* earlier than the typical annual time frame.

SEPARATE FINANCIAL PLANNING CONSULTATION

If Clients need to consult with Carr Consulting outside of the initial consultation(s) that led to their *Comprehensive Financial Plan* and before their *Annual Financial Plan Review*, Clients may engage Carr Consulting on a limited basis. Carr Consulting is available through a *Separate Financial Planning Consultation* to make changes to a *Comprehensive Financial Plan*, discuss a specific financial topic, or evaluate a specific securities investment.

Item 5: FEES AND COMPENSATION:

MANAGEMENT FEE FOR PORTFOLIO MANAGEMENT SERVICES

Whether *Portfolio Management Services* are performed on a discretionary or non-discretionary basis, Carr Consulting charges the same management fee based on a percentage of assets under management.

The percentage of assets charged per year (annum) is listed in the following table by assets level.

<u>Assets Under Management Annual Fee</u>	
Any Amount.....	1.00%

Carr Consulting reserves the right to negotiate and offer a lesser management fee. Carr Consulting charges the above management fee at the end of each calendar quarter. As the management fees are charged in arrears, Carr Consulting does not offer refunds as services have already been performed. For the first quarter a Client engages Carr Consulting or if a Client terminates the service during the quarter, the fee will be prorated for only those days that Carr Consulting rendered its services.

For Clients that provide written authorization to our custodian Shareholders Service Group Inc., Carr Consulting will arrange to have its management fee automatically deducted from the Client's brokerage account. In this case, Shareholders Service Group Inc. will send statements, at least quarterly, to the Client that will reflect the advisory fee paid to Carr Consulting, but the Client should verify the accuracy of fees paid. Carr Consulting requests all Clients allow for the direct deduction of fees, but for those Clients that do not, Carr Consulting will send directly to the Client an invoice for Carr Consulting's fees. This invoice will require payment within thirty days after the mailing date on the invoice.

PLANNING FEES FOR FINANCIAL PLANNING SERVICES

For *Comprehensive Financial Plans* and *Annual Financial Plan Reviews*, Carr Consulting charges a fixed fee; however, for *Separate Financial Planning Consultations*, Carr Consulting charges an hourly fee.

Financial Planning Service	Fee Type and Amount
Comprehensive Financial Plan	\$499 fixed fee
Annual Financial Plan Review	\$200 hourly fee
Separate Financial Planning Consultations	\$200 hourly fee

Carr Consulting may negotiate its fixed fee amount for *Comprehensive Financial Plans* based on the complexity of the financial plan. Typically, the standard financial plan takes 10 hours; those plans that take significantly less time may negotiate a lower fee while those financial plans that take significantly longer may be charged a slightly higher amount. Additionally, Carr Consulting may offer discounts to select friends, employees and family. The final amount will be specified in the *Investment Advisory*.

The fixed fees for *Annual Financial Plan Reviews* and the hourly rate for *Separate Financial Planning Consultations* are both non-negotiable. If the *Annual Financial Plan Review* or *Separate Financial Planning Consultation* finds that a new *Comprehensive Financial Plan* needs to be prepared and Clients engage Carr Consulting to do so, Clients will be charged for a new *Comprehensive Financial Plan* minus either the \$500 paid for the *Annual Financial Plan Review* or the total hourly fees charged for the *Separate Financial Planning Consultation*.

Carr Consulting charges the above financial planning fees upon delivery of the *Comprehensive Financial Plan* or the *Annual Financial Plan Review*. Hourly fees are charged at the conclusion of the *Separate Financial Planning Consultation*. As all the financial planning fees are charged in arrears, Carr Consulting does not offer refunds as services will have already been performed. If a Client chooses to terminate *Financial Planning Services* before the product is delivered or service is complete, Carr Consulting will charge a prorated amount for the work completed and will deliver any work product completed.

If Financial Planning Clients have been recommended *Portfolio Management Services* and provide written authorization to Shareholders Service Group Inc. so that Carr Consulting can deduct its management fees directly from their brokerage account, those Clients may also opt to have their financial planning fees deducted from their brokerage account as well. In that case, Shareholders Service Group Inc. will send statements, at least quarterly, to the Client that will reflect the advisory fees paid to Carr Consulting, but the Client should verify the accuracy of fees paid. Otherwise, Carr Consulting will include an invoice upon delivery of the *Comprehensive Financial Plan* or *Annual Financial Plan Review* or at the conclusion of the *Separate Financial Planning Consultation*. This invoice will require payment within thirty days after delivery.

OTHER COMPENSATION

In addition to the management and financial planning fees described above, individual IA Reps of Carr Consulting may also be licensed as insurance agents to sell insurance products and may receive insurance commissions for the sale of those insurance products.

This creates a conflict of interest and may offer IA Reps an incentive to recommend insurance products that produce insurance commissions for the IA Rep. When any such recommendations are made, IA Reps will disclose their commissions prior to completing any transaction and will obtain specific consent from the Client before purchasing any insurance product. Additionally, Clients always have the option to purchase insurance products through other agents not affiliated with Carr Consulting.

Such insurance commissions will be a marginal part (approximately 10 percent) of the IA Reps' business as their primary focus will be the investment advisory business rather than their insurance business. Any insurance commissions will be charged separately through the insurance company or agency and remitted to the IA Rep in their capacity as an insurance agent. Carr Consulting will not receive any insurance commissions paid to its IA Reps.

Any insurance commissions will be in addition to the advisory fees and Carr Consulting will **not** reduce advisory fees for Clients that purchase insurance products through Carr Consulting's IA Reps. Aside from the insurance compensation described above, neither Carr Consulting nor any of its IA Reps will accept any compensation for the sale of securities or other investment products.

Item 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT:

Carr Consulting does not charge performance-based fees (fees based on gains) and so none of its Clients' accounts will ever be managed side-by-side any performance-based accounts.

Item 7: TYPES OF CLIENTS:

Carr Consulting will provide advisory services to various types of Clients, including:

Individuals: The majority of Carr Consulting's Clients will be individuals seeking financial planning and management services for their personal accounts. While *Financial Planning Services* can be provided regardless of account values.

Businesses, Non-Profits or Institutional: Carr Consulting will provide advisory services to businesses, non-profits and Institutional seeking financial planning or management services for their organization's interests. While *Financial Planning Services* can be performed for any amount of assets, *Portfolio Management Services* will be restricted with a minimum asset value of \$10,000.

Note: Carr Consulting may waive the minimum for select non-profits at Carr Consulting's discretion.

Item 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS:

For *Financial Planning Services*, Carr Consulting analyzes the Client's financial goals and objectives, income and spending, savings and investments, risks and insurance needs, asset allocation, and tax implications. This analysis seeks to ensure that the Client's needs are addressed while making progress toward their financial goals and objectives.

For *Portfolio Management Services*, Carr Consulting uses fundamental and technical analysis to determine the investments in a given portfolio.

In its fundamental analysis, Carr Consulting seeks to determine the intrinsic value of equities based on a thorough analysis of the fundamental business factors of the given stock(s) at issue. This includes: analysis of financial statements, earnings, dividends, management structure, competitive advantages, product offerings, competitors and markets. In essence, this method of analysis evaluates the overall condition of the company (or companies in a mutual fund or ETF) to determine whether it is a sound investment. Despite the fundamental analysis performed by Carr Consulting, any investment in securities carries market risk and investors may lose their principal investment.

In its technical analysis, Carr Consulting seeks to determine the future direction of prices through the study of past market data, primarily price and volume. This is done by charting the movement of investments to identify trends and patterns used in the selection of securities to purchase and price points to buy and sell. Carr Consulting uses a number of stock screeners and other software to chart and analyze the movement of various investments. Despite the technical analysis performed by Carr Consulting, any investment in securities carries market risk and investors may lose their principal investment.

For *Portfolio Management Services*, the investment strategies used will vary depending on the Client's financial goals and risk tolerance. Generally, Clients seeking capital preservation with limited risk will be managed with passive strategies using fixed income products (e.g. bonds) and index funds whereas Clients seeking growth with greater risk will be managed with active strategies using stocks, mutual funds, ETFs, and stock options.

While Carr Consulting will not engage in day-trading, active strategies may entail additional risk due to a greater frequency in transactions, which may involve additional brokerage fees, transaction costs, and taxes. Also, strategies that use options may entail additional risk as losses may exceed those seen in the underlying stock. Lastly, strategies that include private placement offerings entail greater risk as these offerings have limited regulatory oversight, have less liquidity, and depend on the due diligence of the investor or investment adviser.

Item 9: DISCIPLINARY INFORMATION

Neither Carr Consulting nor any of its related persons (including management and IA Reps) have had any legal or disciplinary events in their past. Clients and prospective Clients can always view the CRD records (registration records) for Carr Consulting or any of its IA Reps through the SEC's Investment Adviser Public Disclosure (IAPD) website at www.adviserinfo.sec.gov or through FINRA's BrokerCheck database online at www.finra.org/brokercheck if the IA Rep is also a broker-dealer agent. The CRD number for Carr Consulting is 129350 and the CRD numbers for management and IA Reps are listed alongside their biographical information in the accompanying *BROCHURE SUPPLEMENT* document.

Item 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

While Carr Consulting is not an insurance agency, IA Reps of Carr Consulting may be licensed as independent insurance agents and have affiliations with the various insurance companies whose products they sell.

When such recommendations or sales are made, a conflict of interest exists as John M Carr may earn insurance commissions for the sale of those products, which may create an incentive to recommend such products. Carr Consulting requires that all IA Reps disclose this conflict of interest when such recommendations are made. Also, Carr Consulting requires IA Reps to disclose that Clients may purchase recommended insurance products from other insurance agents not affiliated with Carr Consulting.

Item 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

CODE OF ETHICS

Pursuant to SEC Rule 204A-1, Carr Consulting has a Code of Ethics that promotes the fiduciary duty of Carr Consulting and its IA Reps. The Code of Ethics articulates the importance of trust as a foundation to the relationship between an investment adviser and its Clients and establishes policies and procedures to ensure that Carr Consulting and its IA Reps place the interests of the Clients first. The Code of Ethics requires that Carr Consulting and its IA Reps adhere to all applicable securities and related laws and regulations. The Code of Ethics also requires Carr Consulting and its IA Reps follow industry “best practices” involving: confidential information, suitability of investments, personal trading on the part of Carr Consulting and its IA Reps, outside business activities of IA Reps, and the disclosure of conflicts of interest. A copy of the Adviser’s Code of Ethics is available upon request for any Client or prospective Client.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

While Carr Consulting has no proprietary interest in Client transactions, its IA Reps may have a financial interest in those recommended transactions that involve the purchase of an insurance product. As IA Reps of Carr Consulting John M Carr may recommend insurance products and may also, as independent insurance agents, sell those recommended insurance products to Advisory Clients. When such recommendations or sales are made, a conflict of interest exists as John M Carr will earn insurance commissions for the sale of those products, which may create an incentive to recommend such products. Carr Consulting requires that all IA Reps disclose this conflict of interest when such recommendations are made. Also, Carr Consulting requires IA Reps to disclose that Advisory Clients may purchase recommended insurance products from other insurance agents not affiliated with Carr Consulting. Additionally, IA Reps of Carr Consulting may have an interest in Client transactions insofar as they may personally invest in the same securities recommended to Advisory Clients. These transactions involve a conflict of interest as Carr Consulting or IA Reps may benefit from an increase in price from subsequent purchases by Advisory Clients. To address this conflict of interest, Carr Consulting and its IA Reps will adhere to the following procedures regarding their personal trading:

- (1) Client transactions will always be placed ahead of those for Carr Consulting, its management, and its IA Reps;
- (2) Carr Consulting and its IA Reps will mostly recommend investments that are widely traded;
- (3) Neither Advisory Clients nor IA Reps will have enough funds invested in any given security to move the market in that particular security.

Item 12: BROKERAGE PRACTICES

Carr Consulting will recommend Shareholders Service Group Inc. to all Advisory Clients using Carr Consulting's *Portfolio Management Services* and other Advisory Clients that request a recommended broker-dealer and custodian. Carr Consulting recommends Shareholders Service Group Inc. primarily for its relatively low transaction costs and Carr Consulting's familiarity with its trading platform.

Clients have no obligation to use Shareholders Service Group Inc. for the broker-dealer and custodian, but if Clients seek to have Carr Consulting manage their accounts on a discretionary basis, the Client's chosen broker-dealer and custodian must allow Carr Consulting to have trading authority within the account.

RESEARCH AND OTHER SOFT DOLLAR BENEFITS

While not a factor in Carr Consulting's recommendation of Shareholders Service Group Inc., Shareholders Service Group Inc. does offer proprietary research tools and publications to their account holders. Carr Consulting will have access to these research tools and publications, which may be considered "soft dollar benefits" and constitute a conflict of interest. As Carr Consulting and its IA Reps have accounts at Shareholders Service Group Inc., the benefits of the research tools and publications are already available to Carr Consulting regardless of the Client's decision to invest with Shareholders Service Group Inc.. Carr Consulting will use Shareholders Service Group research tools and publications to service all Advisory Clients regardless of the broker-dealer/custodian they choose to use, but Clients who invest with Shareholders Service Group Inc. will also have their own access to the research tools and publications as Shareholders Service Group account holders. Again, Clients have no obligation to use Shareholders Service Group Inc. for their broker-dealer and custodian.

DIRECTED BROKERAGE AND AGGREGATED ORDERS

Carr Consulting will rely on Shareholders Service Group Inc. for the execution of transactions.

Item 13: REVIEW OF ACCOUNTS

For Portfolio Management Clients, Carr Consulting reviews all Clients' account holdings daily, but reviews individual Client accounts on a quarterly basis in conjunction with calculating their management fees. *Portfolio Management* Clients are encouraged to meet with Carr Consulting at least once per year to review their account as a whole, ensuring that the management aligns with their current financial condition, goals and objectives.

For Financial Planning Clients, Carr Consulting reviews the Client's account in the initial preparation of a *Comprehensive Financial Plan* and may review the Client's account during a *Separate Financial Planning Consultation*, but does **not** review those accounts again unless engaged for an *Annual Financial Plan Review*. Financial Planning Clients are encouraged to meet with Carr Consulting at least once per year to review their account as a whole, ensuring that their financial plan aligns with their current financial condition, goals and objectives.

Item 14: CLIENT REFERRALS AND OTHER COMPENSATION

Carr Consulting may compensate other financial professionals (e.g. accountants, tax preparers) to refer their Clients to Carr Consulting for investment advisory services. The use of referral compensation may constitute a conflict of interest. For referrals that engage Carr Consulting for investment advisory services, Carr Consulting will compensate the financial professional a portion of Carr Consulting's fees.

Generally, this portion will be a one-time payment of 15 percent of the total fees initially collected. This would be 15 percent of the first quarter's management fee, 15 percent of the total fixed fee amount for a *Comprehensive Financial Plan*, or 15 percent of the total hourly charges for a *Separate Financial Planning Consultation*. Clients may not negotiate this compensation, but Clients will not be charged any higher fees when referred by a third party than when engaging Carr Consulting directly. Carr Consulting will only compensate financial professionals that are licensed as investment advisers or investment adviser representatives or demonstrate some exemption from licensing.

Item 15: CUSTODY

Carr Consulting uses Shareholders Service Group Inc. as its custodian to maintain our accounts so Carr Consulting will not have *physical* custody of Clients' assets, monies, or securities. However, since Carr Consulting may withdraw advisory fees directly from Clients' accounts (as described in the "FEES AND COMPENSATION"), Carr Consulting is considered to have custody in a limited capacity. Again, this custody is due solely to the direct withdrawal of fees and does not entail all of the same legal and regulatory requirements as an investment adviser with physical custody of Clients' assets, monies, or securities.

Item 16: INVESTMENT DISCRETION

As described in the "ADVISORY BUSINESS" section (pages 3-5 of this *FIRM BROCHURE*), Carr Consulting will have investment discretion for those Advisory Clients that elect *Discretionary Portfolio Management Services*. Clients will select this option specifically in Carr Consulting's *Investment Advisory Agreement* and will sign a trading authorization form with Shareholders Service Group Inc. as its custodian.

When Advisory Clients grant discretionary authority to Carr Consulting, Clients may still place restrictions on the advisor, such as a prohibition on investing in specific securities, industries, or markets that the Client chooses. Additionally, unless specifically instructed otherwise by the Client, Carr Consulting seeks to maintain diversified investment portfolios for its Portfolio Management Clients and will not concentrate more than 15 percent of a Client's investable assets into any ETF or non-diversified product (e.g. stock, bond, options contract) and will not concentrate more than 50 percent of a Client's investable assets into any diversified products (e.g. mutual funds, index funds).

Item 17: VOTING CLIENT SECURITIES

For any security that entails a voting right in the underlying company, Carr Consulting will not have nor accept authority to vote Client securities. All voting issues, proxies, and solicitations will be communicated to Advisory Clients through Shareholders Service Group Inc. Upon request, however, Carr Consulting may help explain or answer questions regarding a given voting issue.

Item 18: FINANCIAL INFORMATION

Carr Consulting would be required to disclose additional financial information if it were to charge fees in advance, but as described in the “ADVISORY BUSINESS” section (pages 3-5 of this *FIRM BROCHURE*), Carr Consulting charges all advisory fees in arrears, upon delivery of a plan, or at the conclusion of a consultation. In any case, Carr Consulting, its management and IA Reps have no material financial information (e.g. bankruptcies, liens, judgments) in their backgrounds.

Item 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Carr Consulting has only one officer (or management persons): John M Carr Their biographical information is given on the attached *BROCHURE SUPPLEMENT* document.

Under the “FEES AND COMPENSATION” section of this *FIRM BROCHURE*, the subsection titled “*OTHER COMPENSATION*” explains that IA Reps of Carr Consulting may also be licensed as insurance agents and may receive insurance commissions for the sale of insurance products. This activity and the conflicts of interest associated with it are discussed at greater length in the “*OTHER COMPENSATION*” subsection on page 7 of this *FIRM BROCHURE*.

Carr Consulting would be required to disclose additional information if it: were to charge performance-based fees; had any other relationship or arrangement with any issuer of securities or was ever found liable in either: (a) an arbitration, or (b) a civil, self-regulatory organization, or administrative proceeding.

As none of these apply to Carr Consulting, its management persons, or IA Reps, Carr Consulting has no information to disclose in these regards.