

Form ADV Part 2A: *Firm Brochure*

Item 1 – Cover Page

Taelos Financial Partners LLC

1201 Celestine Place
Apex, North Carolina 27502
919-355-2155
<https://taelosfinancial.com>

Version date: June 26, 2026

This disclosure brochure provides information about the qualifications and business practices of Taelos Financial Partners LLC (also referred to as we, us and Taelos Financial Partners throughout this disclosure brochure). If you have any questions about the contents of this disclosure brochure, please contact J. Brian Morgan at 919-355-2155 or jbrianmorgan@taelosfinancial.com. The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Taelos Financial Partners is also available on the Internet at www.adviserinfo.sec.gov. You can view our firm's information on this website by searching for Taelos Financial Partners LLC or our firm's CRD number 320700.

*Registration as an investment adviser does not imply a certain level of skill or training.

Item 2 – Material Changes

The material changes in this brochure from the last annual updating amendment on 03/24/2025 of Taelos Financial Partners LLC are described below. Material changes relate to Taelos Financial Partners, LLC's policies, practices or conflicts of interest.

- Taelos Financial Partners LLC has added Charles Schwab & Co., Inc. as a custodian. (Item 12)

Item 3 – Table of Contents

Item 1 – Cover Page	1
Item 2 – Material Changes	2
Item 3 – Table of Contents	3
Item 4 – Advisory Business	4
Item 5 – Fees and Compensation	8
Item 6 – Performance-Based Fees and Side-By-Side Management	10
Item 7 – Types of Clients	10
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	11
Item 9 – Disciplinary Information	14
Item 10 – Other Financial Industry Activities and Affiliations	14
Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading	14
Item 12 – Brokerage Practices	15
Item 13 – Review of Accounts	17
Item 14 – Client Referrals and Other Compensation	17
Item 15 – Custody	17
Item 16 – Investment Discretion	18
Item 17 – Voting Client Securities	18
Item 18 – Financial Information	19
Item 19 – Requirements for State-Registered Advisers	19
Customer Privacy Policy Notice	20

Item 4 – Advisory Business

Taelos Financial Partners is an investment adviser registered with the State of North Carolina and is a limited liability company (LLC) formed under the laws of the State of North Carolina.

- J. Brian Morgan is the Chief Compliance Officer (CCO) and Managing Member of Taelos Financial Partners. J. Brian Morgan owns 100.00% of Taelos Financial Partners. Full details of the education and business background of J. Brian Morgan are provided at *Item 19* of this Disclosure Brochure.
- Taelos Financial Partners filed its initial application to become registered as an investment adviser in July 2022.

Introduction

The investment advisory services of Taelos Financial Partners are provided to you through an appropriately licensed individual who is an investment adviser representative of Taelos Financial Partners (referred to as your investment adviser representative throughout this brochure).

Description of Advisory Services

The following are descriptions of the primary advisory services of Taelos Financial Partners. Please understand that a written agreement, which details the exact terms of the service, must be signed by you and Taelos Financial Partners before we can provide you the services described below.

Asset Management Services – Taelos Financial Partners offers asset management services, which involves Taelos Financial Partners providing you with continuous and ongoing supervision over your specified accounts.

You must appoint our firm as your investment adviser of record on specified accounts (collectively, the “Account”). The Account consists only of separate account(s) held by qualified custodian(s) under your name. The qualified custodians maintain physical custody of all funds and securities of the Account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account.

The Account is managed by us based on your financial situation, investment objectives and risk tolerance. We actively monitor the Account and provide advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the Account.

We will need to obtain certain information from you to determine your financial situation and investment objectives. You will be responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions; however we will contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives. We are always reasonably available to consult with you relative to the status of your Account. You have the ability to impose reasonable restrictions on the management of your accounts, including the ability to instruct us not to purchase certain securities.

It is important that you understand that we manage investments for other clients and may give them advice or take actions for them or for our personal accounts that is different from the advice we provide to you or actions taken for you. We are not obligated to buy, sell or recommend to you any security or other investment that we may buy, sell or recommend for any other clients or for our own accounts.

Conflicts may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed to be appropriate for your account(s) and other accounts advised by our firm among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client's benefit.

Financial Planning Services - Taelos Financial Partners offers financial planning services, which involve preparing a written financial plan covering specific or multiple topics. We provide full written financial plans, which typically address the following topics:

- Asset Allocation
- Budgeting
- Cash Flow Analysis & Budgeting
- College/Education Planning
- Estate Planning
- Investment Planning
- Major Purchases
- Retirement Planning
- Risk Management

When providing financial planning services, the role of your investment adviser representative is to find ways to help you understand your overall financial situation and help you set financial objectives. We also provide modular written financial plans which only cover those specific areas of concern mutually agreed upon by you and us. A modular written financial plan is limited or segmented and does not involve the creation of a full written financial plan. You should be aware that there are important issues that may not be taken into consideration when your investment adviser representative develops his or her analysis and recommendations under a modular written financial plan.

Our financial planning services do not involve implementing any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts. You have the sole responsibility for determining whether to implement our financial planning recommendations. To the extent that you would like to implement any of our investment recommendations through Taelos Financial Partners or retain Taelos Financial Partners to actively monitor and manage your investments, you must execute a separate written agreement with Taelos Financial Partners for our Asset Management Services.

Retirement Plan Rollover Recommendations - When Taelos Financial Partners provides investment advice about your retirement plan account or individual retirement account ("IRA") including whether to maintain investments and/or proceeds in the retirement plan account, roll over such investment/proceeds from the retirement plan account to a IRA or make a distribution from the retirement plan account, we acknowledge that Taelos Financial Partners is a "**fiduciary**" within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code ("IRC") as applicable, which

are laws governing retirement accounts. The way Taelos Financial Partners makes money creates conflicts with your interests so Taelos Financial Partners operates under a special rule that requires Taelos Financial Partners to act in your best interest and not put our interest ahead of you.

Under this special rule's provisions, Taelos Financial Partners must act as a fiduciary to a retirement plan account or IRA under ERISA/IRC:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put the financial interests of Taelos Financial Partners ahead of you when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that Taelos Financial Partners gives advice that is in your best interest;
- Charge no more than is reasonable for the services of Taelos Financial Partners; and
- Give Client basic information about conflicts of interest.

To the extent we recommend you roll over your account from a current retirement plan account to an individual retirement account managed by Taelos Financial Partners, please know that Taelos Financial Partners and our investment adviser representatives have a conflict of interest.

We can earn increased investment advisory fees by recommending that you roll over your account at the retirement plan to an IRA managed by Taelos Financial Partners. We will earn fewer investment advisory fees if you do not roll over the funds in the retirement plan to an IRA managed by Taelos Financial Partners.

Thus, our investment adviser representatives have an economic incentive to recommend a rollover of funds from a retirement plan to an IRA which is a conflict of interest because our recommendation that you open an IRA account to be managed by our firm can be based on our economic incentive and not based exclusively on whether or not moving the IRA to our management program is in your overall best interest.

we have taken steps to manage this conflict of interest. we have adopted an impartial conduct standard whereby our investment adviser representatives will (i) provide investment advice to a retirement plan participant regarding a rollover of funds from the retirement plan in accordance with the fiduciary status described below, (ii) not recommend investments which result in Taelos Financial Partners receiving unreasonable compensation related to the rollover of funds from the retirement plan to an IRA, and (iii) fully disclose compensation received by Taelos Financial Partners and our supervised persons and any material conflicts of interest related to recommending the rollover of funds from the retirement plan to an IRA and refrain from making any materially misleading statements regarding such rollover.

When providing advice to a retirement plan account or IRA, our investment advisor representatives will act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on the investment objectives, risk, tolerance, financial circumstances, and a client's needs, without regard to the financial or other interests of Taelos Financial Partners or our affiliated personnel.

Seminars/Workshops - Taelos Financial Partners may occasionally provide seminars and/or workshops in areas such as financial and retirement planning, investment planning, business succession, and wealth management for individuals and privately owned businesses. Seminars and workshops are always offered on an impersonal basis and do not focus on the individual needs of participants.

Limits Advice to Certain Types of Investments

Taelos Financial Partners provides investment advice on the following types of investments:

- Mutual Funds
- Exchange Traded Funds (ETFs)
- Exchange-listed Securities
- Certificates of Deposit
- Municipal Securities
- US Government Securities

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives.

It is not our typical investment strategy to attempt to time the market, but we may increase cash holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

(Please refer to *Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss* for more information.)

Tailor Advisory Services to Individual Needs of Clients

Taelos Financial Partners' advisory services are always provided based on your individual needs. This means, for example, that when we provide asset management services, you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information. Our financial planning services are always provided based on your individual needs. When providing financial planning services, we work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

We will not enter into an investment adviser relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

Client Assets Managed by Taelos Financial Partners

As of June 2026, Taelos Financial Partners has \$10,637,649.00 in discretionary assets and \$414,648.00 in non-discretionary assets under management.

Item 5 – Fees and Compensation

In addition to the information provided in *Item 4 – Advisory Business*, this section provides additional details regarding our firm's services along with descriptions of each service's fees and compensation arrangements.

Taelos Financial Partners believes that its fees are reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, our investment advisory fees may be higher than those charged by other investment advisers offering similar services/programs.

The exact fees and other terms will be outlined in the agreement between you and Taelos Financial Partners.

Asset Management Services

Fees charged for our asset management services are charged based on a percentage of assets under management, billed in arrears (at the end of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the previous billing period.

The following is our standard fee schedule. Each asset tier shall be assessed a fee percentage in accordance with the schedule shown below. The cumulative fee percentage for the account shall be a blended rate based on the fee percentages applied to each asset tier:

<u>Assets Under Management</u>	<u>Annual Fees</u>
\$0 – \$500,000	1.00%
\$500,001 – \$1,000,000	0.95%
\$1,000,001 – \$2,000,000	0.90%
\$2,000,001 – \$3,000,000	0.81%
\$3,000,001 – \$4,000,000	0.70%
\$4,000,001 – \$5,000,000	0.63%
\$5,000,001 and Above	0.56%

This is a blended fee schedule. This means that the assets in a client's account will be billed at different levels according to the fee schedule above.

For example, if a client has an account value of \$2,500,000 then the following equation would be used to calculate their quarterly fee: $(\$500,000 \times .0025 \text{ (1/4 of 1.00\%)}) + (\$500,000 \times .002375 \text{ (1/4 of 0.95\%)}) + (\$1,000,000 \times .0225 \text{ (1/4 of 0.90\%)}) + (\$500,000 \times .020245 \text{ (1/4 of 0.81\%)}) = \$5,699.75$ for an effective annual fee of .91%.

Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of the billing period, then the prorated fee for that billing period will be billed in arrears at the end of that billing period.

Asset management services continue in effect until terminated. You can terminate services by providing Taelos Financial Partners with notice. Taelos Financial Partners may terminate the services by providing you with written notice effective 30 days after you receive the written notice. Because fees are billed in

arrears, Taelos Financial Partners will prorate the final fee payment based on the number of days services are provided during the final period. The amount of client assets on the termination date will be used to determine the final fee payment.

Fees charged for our asset management services are negotiable based on the potential for additional account deposits, the relationship of the client with the investment adviser representative, and the total amount of assets under management for the client.

You can choose how to pay your investment advisory fees. The investment advisory fees can be deducted from your account and paid directly to our firm by the qualified custodian(s) of your account or you can pay our firm upon receipt of a billing notice sent directly to you.

If you choose to have the investment advisory fees deducted from your account, you must authorize the qualified custodian(s) of your account to deduct fees from your account and pay such fees directly to Taelos Financial Partners. Our firm will send you a billing statement prior to the time that fee deduction instruction is sent to the qualified custodian(s) of your account. The billing statement will detail the formula used to calculate the fee, the assets under management and the time period covered.

You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

If you choose to pay the fees after receiving a statement, fees are due upon your receipt of a billing notice sent directly to you. The billing notice will detail the formula used to calculate the fee, the assets under management and the time period covered. Fees for the services of our firm will be due immediately after your receipt of the billing notice.

Brokerage expenses and/or transaction fees charged by the qualified custodian are billed directly to you by the qualified custodian. Taelos Financial Partners does not receive any portion of such commissions or fees from you or the qualified custodian. In addition, you will incur certain charges imposed by third parties other than Taelos Financial Partners in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of your account. Management fees charged by Taelos Financial Partners are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus. We do not receive any portion of such fees and expenses.

Financial Planning Services

Taelos Financial Partners provides financial planning services under an hourly fee arrangement. An hourly fee of \$250 per hour is charged by Taelos Financial Partners for financial planning services under this arrangement. Before commencing financial planning services, Taelos Financial Partners provides an estimate of the approximate hours needed to complete the requested financial planning services. If Taelos Financial Partners anticipates exceeding the estimated amount of hours required, Taelos Financial Partners will contact you to receive authorization to provide additional services. You will pay in advance a mutually agreed upon retainer (of up to 50% of the estimated total fee) that will be available for Taelos Financial Partners to bill hourly fees against for our financial planning services; however, under no circumstances will Taelos Financial Partners require you to pay fees more than \$500 more than six months in advance. Any unpaid hourly fees are due immediately upon completion and delivery of the financial plan.

The financial planning services terminate thirty (30) days following the delivery of the written financial plan or either you or Taelos Financial Partners providing the other party with written notice.

You can terminate the financial planning services within five (5) business days of entering into an agreement with Taelos Financial Partners without penalty or fees due. If you terminate the financial planning services after five (5) business days of entering into an agreement, you will be responsible for immediate payment of any financial planning services performed by Taelos Financial Partners prior to the receipt by Taelos Financial Partners of your notice.

You will pay Taelos Financial Partners for any hourly fees incurred at the rates described above. In the event that there is a remaining balance of any fees paid in advance after the deduction of fees from the final invoice, those remaining proceeds will be refunded by Taelos Financial Partners to you.

You may pay the investment advisory fees owed for the financial planning services by submitting payment directly (for example, by check) or having the fee deducted from an existing investment account.

If you elect to pay by automatic deduction from an existing investment account, you will provide written authorization to Taelos Financial Partners for such charge.

You should notify Taelos Financial Partners within ten (10) days of receipt of an invoice if you have questions about or dispute any billing entry.

All fees paid to Taelos Financial Partners for financial planning services are separate and distinct from the fees and expenses charged by a broker-dealer or asset management fees charged by an investment adviser to implement such recommendations.

If you elect to implement the recommendations of Taelos Financial Partners through our other investment advisory programs, Taelos Financial Partners can waive or reduce a portion of the investment advisory fees for such investment advisory program(s). Any reduction will be at the discretion of your investment adviser representative and disclosed to you prior to contracting for additional investment advisory services.

Seminars/Workshops

No fees are charged for seminars and workshops. However, if we are hired by larger groups, such as corporations, we reserve the right to charge fees to cover the expenses incurred by us for presenting the seminars. In this case, all fees and payment provisions will be fully disclosed to you prior to the seminar being presented.

Item 6 – Performance-Based Fees and Side-By-Side Management

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. *Item 6* is not applicable to this Disclosure Brochure because we do not charge or accept performance-based fees.

Item 7 – Types of Clients

Taelos Financial Partners generally provides investment advice to natural person, individual clients including their family trusts and estates.

You are required to execute a written agreement with Taelos Financial Partners specifying the particular advisory services in order to establish a client arrangement with Taelos Financial Partners.

Minimum Investment Amounts Required

There are no minimum investment amounts or conditions required for establishing an account managed by Taelos Financial Partners. However, all clients are required to execute an agreement for services in order to establish a client arrangement with Taelos Financial Partners and/or the third-party money manager or the sponsor of third-party money manager platforms.

The minimum fee generally charged for financial planning services provided on an hourly basis is \$2000.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Taelos Financial Partners uses the following methods of analysis in formulating investment advice:

Cyclical – This method analyzes the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during downturns in the economy and in higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins, and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.

While most economists and investors agree that there are cycles in the economy that need to be respected, the duration of such cycles is generally unknown. An investment decision to buy at the bottom of a business cycle may actually turn out to be a trade that occurs before or after the bottom of the cycle. If done before the bottom, then downside price action can result prior to any gains. If done after the bottom, then some upside price action may be missed. Similarly, a sell decision meant to occur at the top of a cycle may result in missed opportunity or unrealized losses.

Fundamental – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an

interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

Investment Strategies

Taelos Financial Partners uses the following investment strategies when managing client assets and/or providing investment advice:

Long term purchases. Investments held at least a year.

Short term purchases. Investments sold within a year.

Frequent trading. This strategy refers to the practice of selling investments within 30 days of purchase.

Value-Investing. This is a strategy that attempts to acquire at reasonable valuations publicly traded businesses that can deliver sustainable excess returns. We focus on a long-only strategy. Long term strategies are designed to identify and select investments to be held for multiple years. We will also invest in value oriented special situations with shorter expected holding periods.

Value Investing can be described as a strategy of selecting stocks that trade for less than their intrinsic values. Value investors typically seek stocks of companies that they believe the market has undervalued. They believe the market overreacts to good and bad news, resulting in stock price movements that do not correspond with the company's long-term fundamentals. The result is an opportunity for value investors to profit by buying when the price is deflated. Often, value investors select stocks with lower-than-average price-to-book or price-to-earnings ratios and/or high dividend yields. The risks associated with value-investing include incorrectly analyzing and overestimating the intrinsic value of a business, concentration risk, under performance relative to major benchmarks, macro-economic risks, investing in value traps i.e. businesses that remain perpetually undervalued, and lost purchasing power on cash holdings in the case of inflation.

Tactical asset allocation. Allows for a range of percentages in each asset class (such as Stocks = 40-50%). The ranges establish minimum and maximum acceptable percentages that permit the investor to take advantage of market conditions within these parameters. Thus, a minor form of market timing is possible, since the investor can move to the higher end of the range when stocks are expected to do better and to the lower end when the economic outlook is bleak.

Strategic asset allocation. Calls for setting target allocations and then periodically rebalancing the portfolio back to those targets as investment returns skew the original asset allocation percentages. The concept is akin to a "buy and hold" strategy, rather than an active trading approach. Of course, the strategic asset allocation targets may change over time as the client's goals and needs change and as the time horizon for major events such as retirement and college funding grow shorter.

Types of Recommended Securities

We do not primarily recommend one single type of security to clients. Instead, we recommend any product that may be suitable for each client relative to that client's specific circumstances and needs. And only with the best interest, full understanding, and disclosure of information for each client.

Risk of Loss

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

- **Market Risk** – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- **Equity (stock) market risk** – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- **Company Risk**. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- **Fixed Income Risk**. When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **ETF and Mutual Fund Risk** – When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- **Management Risk** – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

Item 9 – Disciplinary Information

Item 9 is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

Item 10 – Other Financial Industry Activities and Affiliations

Telos Financial Partners is **not** and does **not** have a related person that is a broker/dealer, municipal securities dealer, government securities dealer or broker, an 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), another investment adviser or financial planner, a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, an accountant or accounting firm, a lawyer or law firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

We are an independent investment registered adviser and only provide investment advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure.

Insurance Agent

J. Brian Morgan is no longer a licensed insurance agent. As such he can only provide advice and recommendations in favor or against different insurance policy types, products and options based on the client's best interest.

However, it is the firm's policy that J. Brian Morgan does not sell (i.e. serve as the selling agent) insurance and annuity products. In order to avoid the emergence of conflicts of interest J. Brian Morgan will never sell commission compensated insurance and/or annuity products to clients of Telos Financial Partners and therefore will never receive commissions from the sale of insurance and/or annuity products.

J. Brian Morgan may act as agent on so called Advisory Annuities wherein the assets held within the account call for investment management services. Telos Financial Partners will provide investment management on these accounts in the same fashion and fee schedule as described in Asset Management Services above. Telos Financial Partners will not receive commissions or other compensation from any third party.

J. Brian Morgan may refer clients of the firm to a third party to facilitate purchase by the client of life insurance products (Term Life Insurance). However, no compensation will be received by J. Brian Morgan or Telos Financial Partners for such referral.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

Code of Ethics Summary

An investment adviser is considered a fiduciary and has a fiduciary duty to all clients. Telos Financial Partners has established a Code of Ethics to comply with the requirements of the securities laws and regulations that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. Telos Financial Partners' Code of Ethics covers all individuals that are classified as "supervised persons". All employees, officers, directors and investment

adviser representatives are classified as supervised persons. Taelos Financial Partners requires its supervised persons to consistently act in your best interest in all advisory activities. Taelos Financial Partners imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of Taelos Financial Partners. If you wish to review the Code of Ethics in its entirety, you should send us a written request and upon receipt of your request, we will promptly provide a copy of the Code of Ethics to you.

Affiliate and Employee Personal Securities Transactions Disclosure

Taelos Financial Partners or supervised persons of the firm buy and sell for their personal accounts, investment products identical to those recommended to clients. This creates a conflict of interest. It is the express policy of Taelos Financial Partners that all persons associated in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. As is required by our internal procedures manual, Taelos Financial Partners and its supervised persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To mitigate conflicts of interest that can occur when access persons manage their personal accounts at the same time Taelos Financial Partners manages client accounts, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members. Anyone not observing our policies is subject to sanctions up to and including termination.

Item 12 – Brokerage Practices

If Taelos Financial Partners assists in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions considered, the transaction execution is in your best interest. When considering best execution, we look at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with our existing systems, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back office services, technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability and responsibility
- Reputation and integrity
- Ability to maintain confidentiality

We exercise reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back office services, technology and pricing of services offered.

Brokerage Recommendations

We recommend the use of Altruist LLC and Charles Schwab & Co., Inc. as qualified custodians and. Taelos Financial Partners is independently owned and operated and not affiliated with Altruist LLC or Charles Schwab.

An investment adviser receives soft dollar benefits from a broker-dealer when the investment adviser receives research or other products and services in exchange for client securities transactions or maintaining an account balance with the broker-dealer.

While there is no direct linkage (except in certain circumstances) between the investment advice given to clients and Taelos Financial Partners' participation in the Atruist LLC program, economic benefits are received by Taelos Financial Partners which would not be received if we did not give investment advice to clients.

These benefits may be used for both research and non-research purposes and allows us to supplement, at no cost, our own research and analysis activities. These benefits include: a dedicated trade desk that services the program participants exclusively, a dedicated service group and an account services manager dedicated to Taelos Financial Partners' accounts, the ability to "block" clients' trades, electronic download of trades, balances and position information, duplicate and batched client statements, confirmations, year-end summaries, the ability to have advisory fees directly debited from client accounts (in accordance with federal and state requirements), access to mutual funds, and .

The benefits received through participation in the Atruist LLC program do not depend upon the amount of transactions directed to or amount of assets managed through Atruist LLC.

Research obtained with soft dollars is not necessarily utilized for the specific account that generated the soft dollars. We do not attempt to allocate the relative costs or benefits of research among clients because we believe that, in the aggregate, the research we receive benefits all clients and assists us in fulfilling our overall duty to you.

These arrangements create a conflict of interest to the extent that we would have to pay for some or all of the research and/or services with "hard dollars" if we were unable to obtain the research and services in exchange for commissions in connection with client transactions. Client trades are always implemented based on the goals and objectives of the client and not on any research, products or other incentives available.

Directed Brokerage

Although we recommend the use of Altruist LLC and/or Schwab, clients are allowed to select the broker-dealer that will be used for their accounts. Clients directing the use of a particular broker/dealer or other custodian must understand that we may not be able to obtain the best prices and execution for the transaction. Under a client-directed brokerage arrangement, clients may receive less favorable prices than would otherwise be the case if the client had not designated a particular broker/dealer or custodian. Directed brokerage account trades are generally placed by Taelos Financial Partners after effecting trades for other clients of Taelos Financial Partners. In the event that a client directs Taelos Financial Partners to use a particular broker or dealer, Taelos Financial Partners may not be authorized to negotiate commissions and may be unable to obtain volume discounts or best execution. In addition, under these circumstances a disparity in commission charges may exist between the commissions

charged to clients who direct Taelos Financial Partners to use a particular broker or dealer versus clients who do not direct the use of a particular broker or dealer.

Item 13 – Review of Accounts

Account Reviews and Reviewers

Managed accounts are reviewed at least quarterly. While the calendar is the main triggering factor, reviews can also be conducted at your request. Account reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by J. Brian Morgan, Managing Member and Investment Adviser Representative, with reviews performed in accordance with your investment goals and objectives.

Our financial planning services terminate upon thirty (30) days following the delivery of the written financial plan. Our financial planning services do not include monitoring the investments of your account(s) outside of our management, and therefore, there is no ongoing review of your account(s) under such services.

Statements and Reports

For our asset management services, you are provided with transaction confirmation notices and regular quarterly account statements in writing directly from the qualified custodian. Additionally, Taelos Financial Partners can provide position or performance reports to you quarterly and upon request.

Financial planning clients do not receive any report other than the written plan originally contracted for and provided by Taelos Financial Partners.

You are encouraged to always compare any reports or statements provided by us against the account statements delivered from the qualified custodian. When you have questions about your account statement, you should contact our firm and the qualified custodian preparing the statement.

Item 14 – Client Referrals and Other Compensation

Taelos Financial Partners does not directly or indirectly compensate any person for client referrals.

The only compensation received from advisory services is the fees charged for providing investment advisory services as described in *Item 5* of this Disclosure Brochure. Taelos Financial Partners receives no other forms of compensation in connection with providing investment advice.

Please see Item 5, Fees and Compensation, Item 10, Other Financial Industry Activities and Affiliations and Item 12, Brokerage Practices, for additional discussion concerning other compensation.

Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.

Taelos Financial Partners is deemed to have custody of client funds and securities whenever Taelos Financial Partners is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody Taelos Financial Partners will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which Taelos Financial Partners is deemed to have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Taelos Financial Partners. When clients have questions about their account statements, they should contact Taelos Financial Partners or the qualified custodian preparing the statement.

When fees are deducted from an account, Taelos Financial Partners is responsible for calculating the fee and delivering instructions to the custodian. At the same time Taelos Financial Partners instructs the custodian to deduct fees from your account; Taelos Financial Partners will send you an invoice itemizing the fee. Itemization will include the formula used to calculate the fee, the amount of assets under management the fee is based on, and the time period covered by the fee.

Item 16 – Investment Discretion

When providing asset management services, Taelos Financial Partners maintains trading authorization over your Account and can provide management services on a **discretionary** basis. When discretionary authority is granted, we will have the authority to determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction.

If you decide to grant trading authorization on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- Security being recommended
- Number of shares or units
- Limit Price Requirements
- Buy or Sell Instructions

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if we are not able to reach you or you are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

You will have the ability to place reasonable restrictions on the types of investments that may be purchased in your Account. You may also place reasonable limitations on the discretionary power granted to Taelos Financial Partners so long as the limitations are specifically set forth or included as an attachment to the client agreement.

Item 17 – Voting Client Securities

Taelos Financial Partners does not vote proxies on behalf of Clients. We have determined that taking on the responsibilities for voting client securities does not add enough value to the services provided to you to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is your responsibility to vote all proxies for securities held in Account.

You will receive proxies directly from the qualified custodian or transfer agent; we will not provide you with the proxies. You are encouraged to read through the information provided with the proxy-voting documents and make a determination based on the information provided. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact us. However, you will have the ultimate responsibility for making all proxy-voting decisions.

Item 18 – Financial Information

This *Item 18* is not applicable to this brochure. Taelos Financial Partners does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, Taelos Financial Partners has not been the subject of a bankruptcy petition at any time.

Item 19 – Requirements for State-Registered Advisers

Executive Officer and Management Personnel

J. Brian Morgan

Educational Background:

- North Carolina Wesleyan University, Bachelor of Science in Business Administration: 2014

Business Experience:

- Taelos Financial Partners, Managing Member and Chief Compliance Officer, 03/2022 to Present and Investment Adviser Representative, 07/2022 to Present;
- Virginia Asset Management, LLC (VAM Partners) - Securian Financial Services Inc, Registered Representative and Investment Adviser Representative, 12/2020 to 03/2022
- Edward Jones, Registered Representative and Investment Adviser Representative, 06/2017 to 11/2020

Other Business Activities

See *Item 10 – Other Financial Industry Activities and Affiliations*.

No Performance Based Fees

As previously disclosed in *Item 6*, Taelos Financial Partners does not charge or accept performance-based fees.

No Arbitrations

Taelos Financial Partners or any of its associated persons have not been the subject of any client arbitrations or similar legal disputes.

No Arrangement with Issuer of Securities

Taelos Financial Partners and its management do not have any relationship or arrangement with any issuer of securities.

Customer Privacy Policy Notice

The information contained in this section is also detailed in the *Privacy Requirements* section of Taelos Financial Partners' *Compliance Policies and Procedures Manual*. This statement is provided to all clients in accordance with the rules and regulations of the *Gramm-Leach-Bliley Act of 1999*.

As a registered investment advisor, Taelos Financial Partners LLC and its investment adviser representatives will gather and develop personal information regarding our clients. This information will be gathered and developed by us for the following purposes:

1. To determine the client's financial goals and objectives
2. To determine the level of advisory services needed and desired by the client
3. To provide the client with specific recommendations regarding advisory services
4. To provide the client with specific recommendations regarding financial products
5. To provide ongoing support and recommendations regarding financial products held in the client's account

Client information that Taelos Financial Partners LLC will collect may include, but not be limited to the following:

- Information received from clients on financial inventories through consultations with its representatives. This information may include personal and household information such as income, spending habits, investment objectives, financial goals, statements of account and other records concerning the clients' financial conditions and assets, together with information concerning employee benefits and retirement plan interests, wills, trusts, mortgages and tax returns.
- Information developed as part of financial plans, analyses or investment advisory services.
- Information concerning investment advisory account transactions, such as wrap account transactions.
- Information about clients' financial products and services transactions with Taelos Financial Partners, LLC

All information provided by clients to Taelos Financial Partners LLC (including our investment advisor representatives and administrative personnel), and information and advice furnished by Taelos Financial Partners LLC to you, is treated as confidential and not disclosed to affiliated or unaffiliated third parties, except as (1) permitted by you with written authorization, (2) shared in a manner necessary to facilitate the advisory services provided by Taelos Financial Partners LLC or (3) as required by any rule, regulation or law of any regulatory or self-regulatory organization to which Taelos Financial Partners LLC or our investment advisor representatives may be subject. For example: you may ask Taelos Financial Partners LLC to provide information to your other services providers, such as your accountant, and we are pleased to be of assistance when you direct us to share information. Regulatory and self-regulatory bodies generally conduct routine audits of investment advisers to review books and records, and in the process may review client information. Additionally, your account custodians and their personnel will have access to and review client data for their internal purposes.

When a client account is closed, Taelos Financial Partners LLC will continue to keep all client information confidential in accordance with the principles stated in its privacy policy.

A copy of the Privacy Policy Notice will be delivered to all clients in writing by at least one of the following methods:

- By hand delivering a copy to the client
- Mailing a copy to the client's address on record
- If business is conducted electronically, a notice may be posted on an electronic site as long as the client acknowledges receipt of the Privacy Policy Notice prior to the client obtaining any services or products from Taelos Financial Partners LLC

A copy of the Privacy Policy Notice will be provided to the client no later than the time a client establishes a relationship with Taelos Financial Partners LLC, unless this situation would cause a delay in the client obtaining services and the client agrees to accept the notice at a later date. When this situation applies, a copy of the Privacy Policy Statement will be delivered to the client within a reasonable time period following the transaction.

Any time a change is made to the Privacy Policy, the statement to clients will be revised. The revised statement will be given to all affected clients prior to any disclosure of information. In addition, Taelos Financial Partners LLC will provide a copy of its Privacy Policy Statement to all current and existing clients at least annually.