

# Thomas L. Sullivan Financial Advisors

## **ADV Part 2 (Brochure and Supplement) And ADV Part 3 (Customer Relationship Summary Form CRS)**

**Dated June 7, 2022**

Contact: Thomas L. Sullivan, Principal  
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**This brochure and consumer relationship summary provides information about the qualifications and business practices of Thomas L. Sullivan Financial Advisors (the “Registrant”). If you have any questions about the contents of this brochure and relationship summary, please contact us at (651) 494-3900 or [Tom@SullivanFinancialAdvisors.com](mailto:Tom@SullivanFinancialAdvisors.com). The contents have not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Thomas L. Sullivan Financial Advisors is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**References herein to Thomas L. Sullivan Financial Advisors as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.**

## **Item 2 Material Changes**

On Dec 31, 2021, Sullivan Financial Advisors implemented a new, lower, fee schedule for Assets Under Management. This new schedule is shown in Item 5 Part A.

On June 7, 2021, Sullivan Financial Advisors added Retirement Plan Rollover Recommendations ADV 2A Item 4

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## **Form ADV Part 3 CRS - Customer Relationship Summary Form**

### **Item 1. Introduction**

### **Item 2. Relationships and Services**

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### **Item 4. Disciplinary History**

### **Item 5. Additional Information**

#### Item 4 Advisory Business

- A. Thomas L. Sullivan Financial Advisors (the “Registrant”) (SFA) is a sole proprietorship formed on June, 1997 in the state of Minnesota. The Registrant became registered as an Investment Adviser Firm in June, 1997. The Registrant is owned by Thomas L. Sullivan. Thomas L. Sullivan is the Registrant’s Principal.
- B. As discussed below, the Registrant offers to its clients (individuals, etc.) investment advisory services, and, to the extent specifically requested by a client, financial planning and related consulting services.

**RETIREMENT PLAN ROLLOVER RECOMMENDATIONS.** When Thomas L. Sullivan Financial Advisors (SFA) 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 SFA 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 SFA makes money creates conflicts with your interests so SFA operates under a special rule that requires {Investment Adviser Firm} to act in your best interest and not put our interest ahead of you.

Under this special rule’s provisions, SFA must as a fiduciary to a retirement plan account or IRA under ERISA/IRC:

- Meet a professional standard of care when making investment recommendations (e.g., give prudent advice);
- Never put the financial interests of SFA ahead of you when making recommendations (e.g., give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that SFA gives advice that is in your best interest;
- Charge no more than is reasonable for the services of SFA; 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 SFA, please know that SFA 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. We will earn fewer investment advisory fees if you do not roll over the funds in the retirement plan to an IRA managed by SFA.

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 SFA receiving unreasonable compensation related to the rollover of funds from the retirement plan to an IRA, and (iii) fully disclose compensation received by SFA 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 your regarding 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 SFA or our affiliated personnel.

## Item 5 Fees and Compensation

### A. INVESTMENT ADVISORY SERVICES

The client can determine to engage the Registrant to provide discretionary investment advisory services on a *fee-only* basis. The Registrant’s annual investment advisory fee is based upon a percentage (%) of the market value of the assets placed under the Registrant’s management. The fees are calculated based on the market value of the account on the last business day of the previous quarter. Asset totals will include a mix of asset classes that can include equities, bonds, money market funds and cash balances. Fees withdrawn can exceed the current yields. Each level of fee charged is in addition to the previous fee levels.

	<u>Market Value of Portfolio</u>	<u>% of Assets</u>
First Level	\$0 - \$500,000	1.00%
Next Level	\$500,000 - \$2,000,000	0.80%
Next Level	\$2,000,000 - \$3,000,000	0.60%
Next Level	\$3,000,000 - \$4,000,000	0.40%
Next Level	\$4,000,000 – and up	0.20%

Registrant's annual investment advisory fee shall include investment advisory services, and, to the **extent specifically requested** by the client, financial planning and consulting services. If the client requires extraordinary planning and/or consultation services (to be determined in the sole discretion of the Registrant), the Registrant will determine the charge for such additional services, the dollar amount of which shall be set forth in a separate written notice to the client.

### **FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)**

To the extent requested by a client, the Registrant will determine to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone separate fee basis. Registrant’s planning and consulting fees are negotiable, but generally range from \$500 to \$2500 on a fixed fee basis, and from \$200 to \$300 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s). Prior to engaging the

Registrant to provide planning or consulting services, clients are generally required to enter into a *Financial Planning and Consulting Agreement* with Registrant setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to Registrant commencing services. If requested by the client, Registrant will recommend the services of other professionals for implementation purposes. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client's responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

#### **MISCELLANEOUS**

**Non-Investment Consulting/Implementation Services.** To the extent requested by the client, the Registrant will provide consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Neither the Registrant, nor any of its representatives, serves as an attorney, accountant, or licensed insurance agent, and no portion of the Registrant's services should be construed as same. To the extent requested by a client, the Registrant may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance agents, etc.). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client's responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

**Please Note: Cash Positions.** At any specific point in time, depending upon perceived or anticipated market conditions/events (there being **no guarantee** that such anticipated market conditions/events will occur), the Registrant may maintain cash positions for defensive purposes. All cash positions (cash balances, money markets, etc.) are considered asset classes and will be included as part of assets under management for purposes of calculating the Registrant's advisory fee. Fees charged can exceed yield on these cash positions.

**Trade Error Policy.** Registrant shall reimburse accounts for losses resulting from the Registrant's trade errors, but shall not credit accounts for such errors resulting in market gains. The gains and losses are reconciled within the Registrant's custodian firm account and Registrant retains the net gains and losses.

**Client Obligations.** In performing its services, Registrant shall not be required to verify any information received from the client or from the client's other professionals and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

**Disclosure Statement.** A copy of the Registrant's written Brochure as set forth on Part 2A of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of

the *Investment Advisory Agreement or Financial Planning and Consulting Agreement*. Any client who has not received a copy of Registrant's written Brochure at least 48 hours prior to executing the *Investment Advisory Agreement or Financial Planning and Consulting Agreement* shall have five business days subsequent to executing the agreement to terminate the Registrant's services without penalty.

- B. The Registrant shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, the Registrant shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at anytime, impose reasonable restrictions, in writing, on the Registrant's services.
- C. The Registrant does not participate in a wrap fee program.
- D. As of December 31, 2021, the Registrant had \$87,969,333 in assets under management on a discretionary basis.
- E. Clients elect to have the Registrant's advisory fees deducted from their custodial account. Both Registrant's *Investment Advisory Agreement* and the custodial/clearing agreement will authorize the custodian to debit the account for the Registrant's investment advisory fee and to directly remit that management fee to the Registrant in compliance with regulatory procedures. In the limited event that the Registrant bills the client directly, payment is due upon receipt of the Registrant's invoice. The Registrant shall deduct fees and/or bill clients quarterly in advance, based upon the market value of the assets on the last business day of the previous quarter.
- F. Unless the client directs otherwise or an individual client's circumstances require, the Registrant shall recommend that Charles Schwab and Co., Inc. ("*Schwab*") serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as *Schwab* charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged by the custodian for certain no-load mutual funds and commissions are charged for individual equity and fixed income securities transactions). In addition to Registrant's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).
- G. Registrant's annual investment advisory fee shall be prorated and paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter. The Registrant requires a minimum asset level of \$50,000 for investment advisory services. The Registrant, in its sole discretion, will charge a lesser investment management fee and/or waive or reduce its minimum asset requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

The *Investment Advisory Agreement* between the Registrant and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the *Investment Advisory Agreement*. Upon termination, the Registrant shall refund the pro-rated portion of the advanced advisory fee paid based upon the number of days remaining in the billing quarter.

- H. Neither the Registrant, nor its representatives accept compensation from the sale of securities or other investment products.

## Item 6 Performance-Based Fees and Side-by-Side Management

Neither the Registrant nor any supervised person of the Registrant accepts performance-based fees.

## Item 7 Types of Clients

The Registrant's clients are individuals and couples. The Registrant generally requires a minimum asset level of \$50,000 for investment advisory services. The Registrant, in its sole discretion, will charge a lesser investment management fee and/or waive or reduce its minimum asset requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

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

- A. The Registrant will utilize the following methods of security analysis:
- Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
  - Technical - (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)

The Registrant will utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)

**Please Note: Investment Risk.** Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Registrant) will be profitable or equal any specific performance level(s).

- B. The Registrant's methods of analysis and investment strategies do not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis the Registrant must have access to current/new market information. The Registrant has no control over the dissemination rate of market information; therefore, unbeknownst to the Registrant, certain analyses may be compiled with outdated market information, severely limiting the value of the Registrant's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

The Registrant's primary investment strategies - Long Term Purchases and Short Term Purchases - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, will incur higher transactional costs when compared to a longer term investment strategy.

- C. Currently, the Registrant primarily allocates client investment assets among the asset classes of cash, money markets, mutual funds, equities and United States government securities on discretionary basis in accordance with the client's designated investment objective(s).

## **Item 9           Disciplinary Information**

The Registrant has not been the subject of any disciplinary actions.

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

- A. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. The Registrant has no other relationship or arrangement with a related person that is material to its advisory business.
- D. The Registrant does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

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

- A. The Registrant maintains an investment policy relative to personal securities transactions. This investment policy is part of Registrant's overall Code of Ethics, which serves to establish a standard of business conduct for all of Registrant's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, the Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Registrant or any person associated with the Registrant.

- B. Neither the Registrant nor any related person of Registrant recommends, buys, or sells for client accounts, securities in which the Registrant or any related person of Registrant has a material financial interest.
- C. The Registrant and/or representatives of the Registrant buy or sell securities that are also recommended to clients. This practice will create a situation where the Registrant and/or representatives of the Registrant are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if the Registrant did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of the Registrant's clients) and other potentially abusive practices.

The Registrant has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the Registrant's "Access Persons". The Registrant's securities transaction policy requires that an Access Person of the Registrant must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date the Registrant selects; provided, however that at any time that the Registrant has only one Access Person, he or she shall not be required to submit any securities report described above.

- D. The Registrant and/or representatives of the Registrant buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where the Registrant and/or representatives of the Registrant are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above in Item 11 C, the Registrant has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Registrant's Access Persons.

## **Item 12 Brokerage Practices**

- A. In the event that the client requests that the Registrant recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct the Registrant to use a specific broker-dealer/custodian), Registrant generally recommends that investment management accounts be maintained at *Schwab*. Prior to engaging Registrant to provide investment management services, the client will be required to enter into a formal *Investment Advisory Agreement* with Registrant setting forth the terms and conditions under which Registrant shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that the Registrant considers in recommending *Schwab* (or any other broker-dealer/custodian to clients) include historical relationship with the Registrant, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Registrant's clients shall comply with the Registrant's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the Registrant determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Registrant will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Registrant's investment management fee. The Registrant's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

### **1. Research and Additional Benefits**

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Registrant may receive from

*Schwab* (or another broker-dealer/custodian) without cost (and/or at a discount) support services and/or products, certain of which assist the Registrant to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by the Registrant may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Registrant in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products received assist the Registrant in managing and administering client accounts. Others do not directly provide such assistance, but rather assist the Registrant to manage and further develop its business enterprise.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at *Schwab* as a result of this arrangement. There is no corresponding commitment made by the Registrant to *Schwab* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

**The Registrant's Principal, Thomas L. Sullivan remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.**

2. The Registrant does not receive referrals from broker-dealers.
3. The Registrant does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

**Please Note:** In the event that the client directs Registrant to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Registrant.

**The Registrant's Principal, Thomas L. Sullivan, remains available to address any questions that a client or prospective client may have regarding the above arrangement.**

- B. To the extent that the Registrant provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless the Registrant decides to purchase or sell the same securities for several clients at approximately the same time. The Registrant may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Registrant's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure,

transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. The Registrant shall not receive any additional compensation or remuneration as a result of such aggregation.

### **Item 13      Review of Accounts**

- A. For those clients to whom Registrant provides investment supervisory services, account reviews are conducted on an ongoing basis by the Registrant's Principals and/or representatives. All investment supervisory clients are advised that it remains their responsibility to advise the Registrant of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with the Registrant on an annual basis.
- B. The Registrant does conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant will also provide a written periodic report summarizing account activity and performance.

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

- A. As referenced in Item 12.A.1 above, the Registrant does receive an indirect economic benefit from *Schwab*. The Registrant, without cost (and/or at a discount), does receive support services and/or products from *Schwab*.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at *Schwab* as a result of this arrangement. There is no corresponding commitment made by the Registrant to *Schwab* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities, or other investment products as result of the above arrangement.

**The Registrant's Principal, Thomas L. Sullivan, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.**

- B. Neither the Registrant nor its principal compensates non-supervised persons for client referrals.

### **Item 15      Custody**

The Registrant shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant will also provide a written periodic report summarizing account activity and performance.

**Please Note:** To the extent that the Registrant provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by the Registrant with

the account statements received from the account custodian. **Please Also Note:** The account custodian does not verify the accuracy of the Registrant's advisory fee calculation.

## **Item 16 Investment Discretion**

The Registrant does provide investment advisory services on a discretionary basis.

## **Item 17 Voting Client Securities**

- A. The Registrant does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact the Registrant to discuss any questions they may have with a particular solicitation.

## **Item 18 Financial Information**

- A. The Registrant does not solicit fees of more than \$500 per client, six months or more in advance.
- B. The Registrant does provide investment advisory services on a discretionary basis.
- C. The Registrant has not been the subject of a bankruptcy petition.
- D. Minnesota Registered Investment Advisor Thomas Lee Sullivan, a sole proprietor, is participated in the Paycheck Protection Plan ("PPP") loan program through the U.S. Small Business Administration in conjunction with the relief afforded from the CARES Act during the COVID-19 Pandemic.

The PPP loan program was designed to provide a direct financial incentive for a small business to keep its employees on the payroll. In order to receive a PPP loan, the small business must certify that the current economic uncertainty makes this PPP loan request necessary to support its ongoing operations. For additional details about the PPP loan program, please visit <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program> and <https://home.treasury.gov/system/files/136/PPP--Fact-Sheet.pdf>.

On April 14, 2020, sole proprietor and Minnesota Registered Investment Advisor Thomas Lee Sullivan received a PPP loan in the amount of \$35,721<sup>02</sup>. This PPP loan has a 1% fixed interest rate and must be repaid within 2 years (but the initial payments are deferred for the first 6 months). The PPP loan did not require any collateral nor a personal guarantee. The U.S. Small Business Administration will forgive sole proprietor and Minnesota Registered Investment Advisor Thomas Lee Sullivan's repayment of such PPP loan (or a portion of the PPP loan depending upon the circumstances) if all employees are kept on the payroll for eight weeks and the proceeds are used for payroll expenses, rent, mortgage interest, or utilities.

All requirements for this loan have been met and the loan was 100% forgiven in November 2020.

## **Item 19 Requirements for State-Registered Advisors**

- A. Thomas L. Sullivan is the Registrant's Principal. For more information about the above individuals, please see Part 2B of Registrant's Brochure below.

- B. The Registrant is not engaged in any other business than as set forth in this brochure.
- C. The Registrant provide investment supervisory, investment management, investment reporting and investment implementation services.
- D. The Registrant does not have any reportable disciplinary information.
- E. Neither the Registrant, nor its Principal, has any relationship or arrangement with any issuer of securities.

**ANY QUESTIONS: The Registrant's Principal, Thomas L. Sullivan, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.**

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**Item 20.1 Brochure Supplement – Thomas L. Sullivan**

A.

**Thomas L. Sullivan**  
Thomas L. Sullivan Financial Advisors  
Brochure Supplement  
Dated June 7, 2022  
Contact: Thomas L. Sullivan, Principal  
1935 County Road B-2 West, Suite 255  
Roseville, MN 55113  
[www.SullivanFinancialAdvisors.com](http://www.SullivanFinancialAdvisors.com)

B.

**This brochure supplement provides information about Thomas L. Sullivan that supplements the Thomas L. Sullivan Financial Advisors brochure. You should have received a copy of that brochure. Please contact Thomas L. Sullivan, Chief Compliance Officer if you did *not* receive Thomas L. Sullivan Financial Advisors' brochure or if you have any questions about the contents of this supplement.**

**Additional information about Thomas L. Sullivan is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 20.2 Education Background and Business Experience**

Thomas L. Sullivan was born in 1951. Mr. Sullivan graduated from Columbia Heights High School in 1969. Mr. Sullivan has been practicing as a financial advisor since February 1974. Mr. Sullivan has served as Chief Compliance Officer of Thomas L. Sullivan Financial Advisors since June of 1997.

**Item 20.3 Disciplinary Information**

None.

**Item 20.4 Other Business Activities**

A. The supervised person is not actively engaged in any other investment-related businesses or occupations.

B. The supervised person is not actively engaged in any non-investment-related business or occupation for compensation.

**Item 20.5 Additional Compensation**

None.

## **Item 20.6 Supervision**

The Registrant provides investment advisory and supervisory services in accordance with current state regulatory requirements. The Registrant's Chief Compliance Officer, Thomas L. Sullivan, is primarily responsible for overseeing the activities of the Registrant's supervised persons. Mr. Sullivan also monitors accounts and conducts account reviews on at least an annual basis. Should a client have any questions regarding the Registrant's supervision or compliance practices, please contact Mr. Sullivan at (651) 494-3900.

## **Item 20.7 State-Registered Investment Advisors**

A. Mr. Sullivan has never been involved in an arbitration proceeding or a civil, self-regulatory, or administrative proceeding.

B. Mr. Sullivan has never been the subject of a bankruptcy petition.

## **Item 21.1 Brochure Supplement – Kelly J. Sullivan Noah**

A.

**Kelly J. Sullivan Noah**  
Thomas L. Sullivan Financial Advisors  
Brochure Supplement  
Dated June 7, 2022  
Contact: Thomas L. Sullivan, Principal  
1935 County Road B-2 West, Suite 255  
Roseville, MN 55113  
[www.SullivanFinancialAdvisors.com](http://www.SullivanFinancialAdvisors.com)

B.

**This brochure supplement provides information about Kelly J. Sullivan Noah that supplements the Thomas L. Sullivan Financial Advisors brochure. You should have received a copy of that brochure. Please contact Thomas L. Sullivan, Chief Compliance Officer if you did *not* receive Thomas L. Sullivan Financial Advisors' brochure or if you have any questions about the contents of this supplement.**

**Additional information about Kelly J. Sullivan Noah is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 21.2 Education Background and Business Experience**

Kelly J. Sullivan Noah was born in 1976. Mrs. Sullivan Noah graduated from North Hennepin Community College in 1999, with a degree in Accounting. Mrs. Sullivan Noah graduated from University of Minnesota in 2002, with a degree in Applied Business. Mrs. Sullivan Noah graduated from Kansas State University in 2010, with a Masters degree in Family Studies and Human Services in Family Financial Planning. Mrs. Sullivan Noah has been employed as an office and case manager at Thomas L. Sullivan Financial Advisors since September of 2005. Mrs. Sullivan Noah has been a Certified Financial Planner (CFP®) since 2008. The CFP®

designation identifies individuals who have completed the mandatory examination, education, experience, and ethics requirements mandated by the CFP Board. Candidates must have at least three years of qualifying work experience that relates to financial planning. Candidates are required to hold a bachelor's degree from an accredited university. CFP® candidates must pass an examination that covers over 100 financial planning topics, which broadly include: general principles of financial planning, insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning. Finally, candidates have ongoing ethics requirements and oversight by the CFP Board.

Kelly has served as the Associate Compliance Office since 2019.

### **Item 21.3 Disciplinary Information**

None.

### **Item 21.4 Other Business Activities**

A. The supervised person is not actively engaged in any other investment-related businesses or occupations.

B. The supervised person is not actively engaged in any non-investment-related business or occupation for compensation.

### **Item 21.5 Additional Compensation**

None.

### **Item 21.6 Supervision**

The Registrant provides investment advisory and supervisory services in accordance with current state regulatory requirements. The Registrant's Chief Compliance Officer, Thomas L. Sullivan, is primarily responsible for overseeing the activities of the Registrant's supervised persons. Mr. Sullivan also monitors accounts and conducts account reviews on at least an annual basis. Should a client have any questions regarding the Registrant's supervision or compliance practices, please contact Mr. Thomas L. Sullivan at (651) 494-3900.

### **Item 21.7 State-Registered Investment Advisors**

A. Kelly Sullivan Noah has never been involved in an arbitration proceeding or a civil, self-regulatory, or administrative proceeding.

B. Kelly Sullivan Noah has never been the subject of a bankruptcy petition.

**ANY QUESTIONS: The Registrant's Principal, Thomas L. Sullivan, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.**

# **Customer Relationship Summary Form CRS**

also refer to Form ADV, Part 3

Thomas Lee Sullivan Financial Advisors June 7, 2022

## **Item 1. Introduction**

Thomas Lee Sullivan (TLS) is a Registered Investment Advisor (RIA) with the State of Minnesota. Brokerage and investment advisory services and fees differ, and that it is important for you to understand these differences. As an RIA, TLS is a fee only investment advisor and is not affiliated with a Broker Dealer.

Free and simple tools are available to research firms and financial professionals at [www.Investor.gov/CRS](http://www.Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

## **Item 2. Relationships and Services**

### **“What investment services and advice can you provide me?”**

We offer to retail investors investment advisory services. We recommend a mix of Mutual Funds and assist with the implementation through the investor’s own broker dealer.

Typically, we meet semi-annually with investors to review their current holdings. We do not monitor their portfolios. We do not maintain discretionary authority. Investment selections are implemented after consultation with the investor. We do not make available proprietary products. Account minimums are on a case-by-case basis.

Additional Information: Please review our firms Form ADV, Part 2A brochure.

CONVERSATION STARTERS: Ask your financial professional:

“Given my financial situation, should I choose an investment advisory service? Why or why not?”

“How will you choose investments to recommend to me?”

“What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?”

## **Item 3. Fees, Costs, Conflicts, and Standard of Conduct**

### **“What fees will I pay?”**

Our fees are limited to a fixed percent of your investment account (which includes asset classes of equities, bonds, money market and cash accounts), paid quarterly. Annual rates are one percent on the first \$500,000 and are reduced for amounts over \$500,000. Because our fee is asset-based, the larger the account the more you will pay and our firm has an incentive to encourage the investor to increase assets in their account.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. The fee can exceed the yield on assets held in the account. Please make sure you understand what fees and costs you are paying. Please review our firms Form ADV, Part 2A brochure.

Item 3 cont.

CONVERSATION STARTER: Ask your financial professional: “Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?” “What are your legal obligations to me when acting as my investment adviser?” “How else does your firm make money and what conflicts of interest do you have?”

*When we act as your investment adviser*, we act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here is an example to help you understand what this means: The larger your account the larger the fee that you pay and that we receive.

CONVERSATION STARTER: Ask your financial professional: “How might your conflicts of interest affect me, and how will you address them?” “How do your financial professionals make money?”

Our staff and associates are paid a salary. Our associates receive a bonus based fees collected on total firm assets of investor clients.

#### **Item 4. Disciplinary History**

“Do you or your financial professionals have legal or disciplinary history?” No

SEARCH TOOL: For a free and simple tool to research us and other financial professions visit [www.Investor.gov/CRS](http://www.Investor.gov/CRS).

CONVERSATION STARTER: Ask your financial professional: “As a financial professional, do you have any disciplinary history?” “If ‘yes’, for what type of conduct?”

#### **Item 5. Additional Information**

For additional information about our services, for up-to-date information or to request a copy of our ADV Part 2A and 2B, as well as this Customer Relationship Summary (Form CRS ADV Part 3), please call our office at 651-494-3900 or visit our website and download a copy at [www.SullivanFinancialAdvisors.com](http://www.SullivanFinancialAdvisors.com).

CONVERSATION STARTER: Ask your financial professional:

“Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?”

**For the most up-to-date information call our office at 651-494-3900 and/or visit our website at [www.SullivanFinancialAdvisors.com](http://www.SullivanFinancialAdvisors.com).**

Thomas L Sullivan Financial Advisors  
*A Minnesota Registered Investment Advisor since 1997*  
1935 County Road B-2 West Suit 255 Roseville, MN 55113  
Phone 651-494-3900 Email [service@SullivanFinancialAdvisors.com](mailto:service@SullivanFinancialAdvisors.com)

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