

# Item 1: Cover Page

## Flatirons Wealth Management, LLC

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### **Form ADV Part 2A – Firm Brochure**

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Dated February 13, 2023

This Brochure provides information about the qualifications and business practices of Flatirons Wealth Management, LLC, “FWM”. If you have any questions about the contents of this Brochure, please contact us at 720-446-6093. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Flatirons Wealth Management, LLC is registered as an Investment Adviser with the State of Colorado. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about FWM is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the firm’s identification number 297720.

## Item 2: Material Changes

The last annual update of this brochure was filed February 14, 2022. The following changes have been made to this version of the Disclosure Brochure.

- Item 5: The fee for an initial comprehensive financial plan has been updated. Please see Item 5 for additional information.
- Item 5: The fee for ongoing comprehensive financial planning has been updated. Please see Item 5 for additional information.

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of Flatirons Wealth Management.

At any time, you may view the current Disclosure Brochure online at the SEC's Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for our firm name or by our CRD number 297720.

You may also request a copy of this Disclosure Brochure at any time, by contacting us at 720-446-6093.

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# Item 4: Advisory Business

## Description of Advisory Firm

Flatirons Wealth Management, LLC is registered as an Investment Adviser with the State of Colorado. We were founded in 2018. Steven Zakelj is the principal owner of FWM. FWM reports \$24,150,869 discretionary and no non-discretionary Assets Under Management. Assets Under Management were calculated as of January 2023.

## Types of Advisory Services

### Investment Management Services

We are in the business of managing individually tailored investment portfolios. Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation targets. We may also review and discuss a client's prior investment history, as well as family composition and background.

Account supervision is guided by the stated objectives of the client (e.g., maximum capital appreciation, growth, income, or growth, and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Fees pertaining to this service are outlined in Item 5 of this brochure.

### Comprehensive Financial Planning

We provide financial planning services on topics such as retirement planning, risk management, college savings, cash flow, debt management, work benefits, and estate and incapacity planning.

Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values, and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information, and analysis will be considered as they affect and are affected by the entire financial and life situation of the client. Clients purchasing this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern. The client and advisor will work together to select the specific areas to cover. These areas may include, but are not limited to, the following:

- **Business Planning:** We provide consulting services for clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.
- **Cash Flow and Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for

such reserves, plus strategies to save desired amounts.

- **College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).
- **Employee Benefits Optimization:** We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.
- **Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts, and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts. We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.
- **Financial Goals:** We will help clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.
- **Insurance:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home, and automobile.
- **Investment Analysis:** This may involve developing an asset allocation strategy to meet clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, and reviewing employee stock options and/or restricted stock. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.
- **Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, taking more risk with investments).

If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

- **Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance (“self-insuring”).
- **Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their “tax efficiency,” with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

### **Ongoing Comprehensive Financial Planning**

This service involves working one-on-one with a planner over an extended period of time. By paying a fixed fee, clients get to work with a planner who will work with them to develop and implement their plan. The planner will monitor the plan, recommend any changes and ensure the plan is up to date.

Upon desiring a comprehensive plan, a client will be taken through establishing their goals and values around money. They will be required to provide information to help complete the following areas of analysis: net worth, cash flow, insurance, credit scores/reports, employee benefit, retirement planning, insurance, investments, college planning and estate planning. Once the client's information is reviewed, their plan will be built and analyzed, and then the findings, analysis and potential changes to their current situation will be reviewed with the client. Clients subscribing to this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives. Follow up meetings will be scheduled at the client's convenience. The plan and the client's financial situation and goals will be monitored throughout the year and follow-up meetings, phone calls, and emails will be made to the client to confirm that any agreed upon action steps have been carried out. On at least an annual basis, there will be a full review of this plan to ensure its accuracy and ongoing appropriateness. Any needed updates will be implemented at that time.

### **Employee Benefit Plan Services**

Our firm provides employee benefit plan services to employer plan sponsors on an ongoing basis. Generally, such services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure, and participant education.

In providing employee benefit plan services, our firm does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, “Excluded Assets”).

### **Client Tailored Services and Client Imposed Restrictions**

We offer the same suite of services to all of our clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client’s current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

**Wrap Fee Programs**

We do not participate in wrap fee programs.

# Item 5: Fees and Compensation

Please note, unless a client has received the firm’s disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the client within five (5) business days of signing the contract without incurring any advisory fees. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

**Investment Management Services**

Our standard advisory fee is based on the market value of the assets under management and is calculated as follows:

Account Value	Annual Advisory Fee
<b>\$0 - \$100,000</b>	1.00%
<b>\$100,001 - \$1,000,000</b>	0.90%
<b>\$1,000,001 - \$2,000,000</b>	0.60%
<b>\$2,000,000 - \$5,000,000</b>	0.25%
<b>\$5,000,000 and Above</b>	Negotiable
<b>All 529 Accounts</b>	0.50%

The annual fees are negotiable and are pro-rated and paid in arrears on a quarterly basis. The advisory fee is a blended fee and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart and applying the fee to the account value as of the last business day of the quarter, resulting in a combined weighted fee. For example, an account valued at \$2,000,000 would pay an effective fee of 0.76% with the annual fee of \$16,600. The quarterly fee is determined by the following calculation:  $((\$100,000 \times 1.00\%) + (\$900,000 \times 0.90\%) + (\$1,000,000 \times 0.60\%)) \div 4 = \$3775$ . No increase or decrease in the annual fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement.

Advisory fees are directly debited from client accounts. For more information regarding direct deduction of fees from client accounts, please see Item 15 of this Part 2A. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. Any cash flows are pro-rated as well. An account may be terminated upon receipt of written notice at least 30 calendar days in advance. Since fees are paid in arrears, no rebate will be needed upon termination of the account, however, any earned but unpaid fees will be due for work completed up to the date of termination.

**Ongoing Comprehensive Financial Planning**

Ongoing Comprehensive Financial Planning consists of a flat fee for the initial comprehensive financial plan and an ongoing quarterly fee if the client chooses to participate in ongoing comprehensive financial planning following the delivery of the financial plan.

The fee for the initial comprehensive financial plan is \$2400 for an individual or \$3200 for a couple. \$500 of the total fee will be due at the start of the engagement and the remainder will be due upon delivery of the plan.

The fee for ongoing comprehensive financial planning is paid quarterly, in arrears, and is as follows:

For an Individual - \$209 per quarter.

For a Couple - \$279 per quarter.

Investment Management Services clients who have at least \$200,000 in assets under management and have paid for an initial comprehensive financial plan can receive ongoing comprehensive financial planning with the quarterly fee waived.

The fee may be negotiable in certain cases. Fees for this service may be paid by electronic funds transfer. This service may be terminated with 30 days’ notice. Upon termination of any agreement, any prepaid but unearned fee will be refunded to the client. Any earned but unpaid fees will be billed to the client for work completed up to the date of termination using our hourly rate of \$240 per hour.

**Hourly Financial Planning Consulting Fee**

The Hourly Financial Planning fee is \$240/hr and a minimum 3hr engagement is required. The fee may be negotiable in certain cases and is due at the completion of the engagement. In the event of early termination by the client, any fees for the hours already worked will be due. Fees for this service may be paid by electronic funds transfer.

**Employee Benefit Plan Services**

Plan Assets	Annual Advisory Fee
\$0 - \$100,000	1.00%
\$100,001 - \$500,000	0.50%
\$500,001 - \$1,000,000	0.40%
\$1,000,001 – 2,000,000	0.30%
\$2,000,001 - \$3,000,000	0.20%
\$3,000,001 - \$4,000,000	0.10%
\$4,000,001 - \$5,000,000	0.05%
\$5,000,001 and Above	Negotiable

FWM will be compensated for Employee Benefit Plan services according to the value of plan assets. This does not include fees to other parties, such as RecordKeepers, Custodians, or Third-Party-Administrators. Fees for this service are either paid directly by the plan sponsor or deducted directly from the plan assets by the Custodian on a quarterly basis, and FWM’s fee is remitted to FWM.

**Other Types of Fees and Expenses**



Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual fund and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending custodians for client's transactions and determining the reasonableness of their compensation (e.g., commissions).

We do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

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

We do not offer performance-based fees and do not engage in side-by-side management.

## Item 7: Types of Clients

We provide financial planning and portfolio management services to individuals, high net-worth individuals, and pensions & profit sharing plans.

We do not have a minimum account size requirement.

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

Our primary methods of investment analysis are fundamental, technical, cyclical and charting analysis.

**Fundamental analysis** involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience, and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Technical analysis** involves using chart patterns, momentum, volume, and relative strength in an effort to pick sectors that may outperform market indices. However, there is no assurance of accurate forecasts or that trends will develop in the markets we follow. In the past, there have been periods without discernible trends and similar periods will presumably occur in the future. Even where major trends develop, outside factors like government intervention could potentially shorten them.

Furthermore, one limitation of technical analysis is that it requires price movement data, which can translate into price trends sufficient to dictate a market entry or exit decision. In a trendless or erratic market, a technical method may fail to identify trends requiring action. In addition, technical methods may overreact to minor price movements, establishing positions contrary to overall price trends, which may result in losses. Finally, a technical

trading method may underperform other trading methods when fundamental factors dominate price moves within a given market.

**Cyclical analysis** is a type of technical analysis that involves evaluating recurring price patterns and trends based upon business cycles. Economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

**Charting analysis** involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends. Charts may not accurately predict future price movements. Current prices of securities may not reflect all information about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

### **Passive Investment Management**

We primarily practice passive investment management. Passive investing involves building portfolios that are comprised of various distinct asset classes. The asset classes are weighted in a manner to achieve the desired relationship between correlation, risk, and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically index mutual funds or exchange traded funds.

Passive investment management is characterized by low portfolio expenses (i.e. the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

In contrast, active management involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated benchmark. Academic research indicates most active managers underperform the market.

### **Material Risks Involved**

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Strategy Risk:** The Adviser's investment strategies and/or investment techniques may not work as intended.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the client's portfolio.

**Turnover Risk:** At times, a certain percentage of a client's portfolio may be subject to turnover risk. The strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

**Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

**Inflation:** Inflation may erode the buying power of your investment portfolio, even if the dollar value of your investments remains the same.

## **Risks Associated with Securities**

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Common stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

**Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

**Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

**Options and other derivatives** carry many unique risks, including time-sensitivity, and can result in the complete loss of principal. While covered call writing does provide a partial hedge to the stock against which the call is written, the hedge is limited to the amount of cash flow received when writing the option. When selling covered calls, there is a risk the underlying position may be called away at a price lower than the current market price. The purchase of naked puts may result in the complete loss of investment principal and will only be considered for use with highly speculative investors.

**Exchange Traded Funds** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected. ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which client's invest.

**Investment Companies Risk.** When a client invests in open-end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur

higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

## Item 9: Disciplinary Information

FWM and its management have not been involved in any criminal or civil action, administrative enforcement proceedings, or legal or disciplinary events that are material to a client's or prospective client's evaluation of FWM or the integrity of its management. Specifically, FWM has not been a party to:

- A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which FWM or a management person:
  - 1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
  - 2. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
  - 3. was found to have been involved in a violation of an investment-related statute or regulation; or
  - 4. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a management person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.
  
- B. An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which FWM or a management person:
  - 1. was found to have caused an investment-related business to lose its authorization to do business; or
  - 2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority
    - (a) denying, suspending, or revoking the authorization of your firm or a management person to act in an investment-related business;
    - (b) barring or suspending FWM's or a management person's association with an investment related business;
    - (c) otherwise significantly limiting FWM's or a management person's investment-related activities; or
    - (d) imposing a civil money penalty of more than \$2,500 on FWM or a management person.
  
- C. A self-regulatory organization (SRO) proceeding in which FWM or a management person:
  - 1. was found to have caused an investment-related business to lose its authorization to do business; or
  - 2. was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.

## Item 10: Other Financial Industry Activities and Affiliations

No FWM employee is registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, or as a futures commission merchant, commodity pool operator or a commodity trading advisor. FWM does not have any related parties. As a result, we do not have a relationship with any related parties.

Outside of the soft dollar benefits received from a custodian, FWM only receives compensation directly from clients. We do not receive compensation from any outside source. We do not have any conflicts of interest with any outside party.

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

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each client. Our clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc., and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

### **Code of Ethics Description**

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to clients.
- Competence - Associated persons shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matter shall reflect the credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide of a copy of its Code of Ethics to any client or prospective client upon request.

### **Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest**

Neither our firm, its associates or any related person is authorized to recommend to a client or effect a transaction for a client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

### **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

Our firm and its “related persons” may buy or sell securities similar to, or different from, those we recommend to clients for their accounts. In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates’ transactions in specific reportable securities transactions. Any exceptions or trading pre-clearance must be approved by the firm principal in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

### **Trading Securities At/Around the Same Time as Client’s Securities**

From time to time, our firm or its “related persons” may buy or sell securities for themselves at or around the same time as clients. This will usually occur when utilizing block trading a security or securities across client accounts and our firm or “related person” is included in the block trade. See below in Item 12 under “Aggregating (Block) Trading for Multiple Client Accounts” for details on our block trading practices.

## **Item 12: Brokerage Practices**

### **Factors Used to Select Custodians and/or Broker-Dealers**

Flatirons Wealth Management, LLC does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to the client based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

#### **1. Research and Other Soft-Dollar Benefits**

We currently receive soft dollar benefits as a result of our relationship with Charles Schwab & Co., Inc.

#### **2. Brokerage for Client Referrals**

We receive no referrals from a custodian or third party in exchange for using that custodian or third party.

#### **3. Clients Directing Which Custodian to Use**

We require clients to use Charles Schwab & Co., Inc. (Schwab) as their custodian in order to participate in our investment advisory services. By requiring clients to use a specific custodian, we may, at times, be unable to achieve most favorable execution of client transaction and this may cost clients money over using a lower-cost custodian. However, we feel the benefits of using our recommended custodian, both in the ability to achieve best execution for client transactions, and for our ability to manage the account, outway the possibility for occasional higher costs resulting from less favorable execution.

### **The Custodian We Use - Schwab Advisor Services division of Charles Schwab & Co., Inc.**

FWM requires that clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, to maintain custody of clients’ assets

and to effect trades for their accounts. The final decision to custody assets with Schwab is at the discretion of the Advisor's clients, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA account holder. FWM is independently owned and operated and not affiliated with Schwab. Schwab provides FWM with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to advisors. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. Schwab also makes available to FWM other products and services that benefit FWM but may not benefit its clients' accounts. These benefits may include national, regional or FWM specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of FWM by Schwab Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist FWM in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of FWM's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of FWM's accounts, including accounts not maintained at Schwab Advisor Services. Schwab Advisor Services also makes available to FWM other services intended to help FWM manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to FWM by independent third parties. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to FWM. FWM acts in the client's best interest at all times. FWM's recommendation/requirement that clients maintain their assets in accounts at Schwab may be based in part on the benefit to FWM of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which creates a conflict of interest. FWM believe's that the use of Schwab is in the client's best interest based on the available options for custodians, service quality, ability to achieve best execution, and competitive pricing. FWM will periodically review custodian options to ensure Schwab is still in the client's best interest.

## **Aggregating (Block) Trading for Multiple Client Accounts**

Generally, we combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute all of the shares to the participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion, regarding particular circumstances and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a normal transaction cost. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

## Item 13: Review of Accounts

Client accounts with the Investment Management Service will be reviewed regularly on a quarterly basis by Steven Zakelj, Owner and CCO. The account is reviewed with regards to the client's investment policies and risk tolerance levels. Events that may trigger a special review would be unusual performance, addition or deletions of client imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per client's needs. Adviser will invite the client on at least an annual basis to go over their portfolio and discuss the Adviser's review of the client's accounts.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

FWM will provide written reports and invoices to Investment Management clients on at least an annual basis. We urge clients to compare these reports against the account statements they receive from their custodian.

## Item 14: Client Referrals and Other Compensation

Other than the soft dollar benefits we receive from the custodian, as disclosed in Item 12 of this Part 2A, we do not receive any economic benefit, directly or indirectly, from any third party for advice rendered to our clients. Nor do we, directly or indirectly, compensate any person who is not advisory personnel for client referrals.

## Item 15: Custody

FWM does not accept custody of client funds except in the instance of withdrawing client fees.

For client accounts in which FWM is authorized to instruct the custodian to deduct the advisory fee from the clients account:

- i. FWM will send a copy of its invoice to the custodian at the same time that it sends the client a copy.
- ii. The custodian will send at least quarterly statements to the client showing all disbursements for the account, including the amount of the advisory fee.
- iii. The client will provide written authorization to FWM, permitting them to be paid directly for their accounts held by the custodian.

Clients should receive at least quarterly statements from the bank or other qualified custodian that holds and maintains client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the invoices or reports that we may provide to you. Our invoices or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## Item 16: Investment Discretion

For those client accounts where we provide Investment Advisory Services, we require discretion over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the client will execute a Limited Power of Attorney, which will grant our firm



discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the client.

## Item 17: Voting Client Securities

FWM will accept voting authority for client securities in certain cases. When FWM does accept voting authority for client securities, it will always seek to vote in the best interests of its clients. FWM does not maintain preapproved voting guidelines but relies on the investment committee to determine the appropriate course of action in voting client securities that is in the best interest of the client. Clients may direct FWM on how to vote client securities by communicating their wishes in writing or electronically to FWM. When voting client proxies the investment committee will always hold the interests of the clients above its own interests. Clients of FWM may obtain the voting record of FWM on client securities by contacting FWM at the phone number or e-mail address listed on the cover page of this brochure. FWM may elect not to vote on behalf of client securities even when granted authority to do so.

## Item 18: Financial Information

Registered Investment Advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and we have not been the subject of a bankruptcy proceeding.

We do not have custody of client funds or securities or require or solicit prepayment of more than \$500 in fees per client six months in advance.

# Item 19: Requirements for State-Registered Advisers

**Steven Zakelj**

Born: 1980

## Educational Background

- 2002 – Bachelors of Arts, Environmental Science, Wittenberg University

## Business Experience

- 08/2018 – Present, Flatirons Wealth Management, LLC, Owner and CCO
- 12/2012 – 09/2018, Chrome Asset Management, Financial Planner
- 11/2010 – 12/2012, Waddell & Reed, Financial Advisor
- 09/2009 – 08/2010, Allen Partners, Analyst & Strategist

## Professional Designations, Licensing & Exams

**CFP (Certified Financial Planner)®:** The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

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

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

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

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

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

## **Other Business Activities**

Steven Zakelj does not have any business activities at this time.

## **Performance-Based Fees**

FWM is not compensated by performance-based fees.

## **Material Disciplinary Disclosures**

No management person at Flatirons Wealth Management, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## **Material Relationships That Management Persons Have With Issuers of Securities**

Flatirons Wealth Management, LLC, nor Steven Zakelj, have any relationship or arrangement with issuers of securities.

## **Additional Compensation**

Except for the soft dollar benefits received from Schwab (See Item 12), Steven Zakelj does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through FWM.

## **Supervision**

Steven Zakelj, as Owner and Chief Compliance Officer of FWM, will adhere to the firm's policies and procedures at all times. He may be contacted at the phone number on this brochure supplement.

## **Requirements for State Registered Advisers**

Steven Zakelj has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition. Specifically, Steven Zakelj has not been a party to:

- A. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  1. an investment or an investment-related business or activity;

2. fraud, false statement(s), or omissions;
  3. theft, embezzlement, or other wrongful taking of property;
  4. bribery, forgery, counterfeiting, or extortion; or
  5. dishonest, unfair, or unethical practices.
- B. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
1. an investment or an investment-related business or activity;
  2. fraud, false statement(s), or omissions;
  3. theft, embezzlement, or other wrongful taking of property;
  4. bribery, forgery, counterfeiting, or extortion; or
  5. dishonest, unfair, or unethical practices.

## Flatirons Wealth Management, LLC

4450 Arapahoe Avenue, Suite 100  
Boulder, CO 80303  
720-446-6093

Dated February 13, 2023

### Form ADV Part 2B – Brochure Supplement

*For*

#### **Steven Zakelj - Individual CRD# 5643580**

Owner, and Chief Compliance Officer

This brochure supplement provides information about Steven Zakelj that supplements the Flatirons Wealth Management, LLC (“FWM”) brochure. A copy of that brochure precedes this supplement. Please contact Steven Zakelj if the FWM brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Steven Zakelj is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the identification number 5643580.

# Item 2: Educational Background and Business Experience

## Steven Zakelj

Born: 1980

### Educational Background

- 2002 – Bachelors of Arts, Environmental Science, Wittenberg University

### Business Experience

- 08/2018 – Present, Flatirons Wealth Management, LLC, Owner and CCO
- 12/2012 – 09/2018, Chrome Asset Management, Financial Planner
- 11/2010 – 12/2012, Waddell & Reed, Financial Advisor
- 09/2009 – 08/2010, Allen Partners, Analyst & Strategist

### Professional Designations, Licensing & Exams

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The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

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

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

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

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

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

## Item 3: Disciplinary Information

No management person at Flatirons Wealth Management, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding. Specific examples of such disclosures FWM management persons have not been a party to include:

- A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the supervised person:
  1. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
  2. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
  3. was found to have been involved in a violation of an investment-related statute or regulation; or
  4. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the supervised person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.
- B. An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which the supervised person:
  1. was found to have caused an investment-related business to lose its authorization to do business; or
  2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority:
    - (a) denying, suspending, or revoking the authorization of the supervised person to act in an investment-related business;
    - (b) barring or suspending the supervised person's association with an investment-related business;
    - (c) otherwise significantly limiting the supervised person's investment-related activities; or
    - (d) imposing a civil money penalty of more than \$2,500 on the supervised person.

- C. A self-regulatory organization (SRO) proceeding in which the supervised person:
1. was found to have caused an investment-related business to lose its authorization to do business; or
  2. was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.
- D. Any other hearing or formal adjudication in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct. If the supervised person resigned (or otherwise relinquished the attainment, designation, or license) in anticipation of such a hearing or formal adjudication (and the adviser knows, or should have known, of such resignation or relinquishment), disclose the event

## Item 4: Other Business Activities

Steven Zakelj does not have any other business activities at this time.

## Item 5: Additional Compensation

Except for the soft dollar benefits received from Schwab (See Item 12), Steven Zakelj does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through FWM.

## Item 6: Supervision

Steven Zakelj, as Owner and Chief Compliance Officer of FWM, will adhere to the firm's policies and procedures at all times. He may be contacted at the phone number on this brochure supplement.

## Item 7: Requirements for State Registered Advisers

Steven Zakelj has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition. Examples of such events Steven Zakelj has not been involved in include:

- A. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
1. an investment or an investment-related business or activity;
  2. fraud, false statement(s), or omissions;
  3. theft, embezzlement, or other wrongful taking of property;
  4. bribery, forgery, counterfeiting, or extortion; or (e) dishonest, unfair, or unethical practices.



- B. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
1. an investment or an investment-related business or activity;
  2. fraud, false statement(s), or omissions;
  3. theft, embezzlement, or other wrongful taking of property;
  4. bribery, forgery, counterfeiting, or extortion; or (e) dishonest, unfair, or unethical practices.