Item 1: Cover Page

MANDALA
FINANCIAL ADVISORS™

500 Locust Street, Suite 160
Des Moines, Iowa 50309
(By Appointment Only)

www.mandala.financial

Form ADV Part 2A – Firm Brochure

312-890-6221

Dated March 7, 2023

This Brochure provides information about the qualifications and business practices of Mandala Financial Advisors LLC, "MFA". If you have any questions about the contents of this Brochure, please contact us at 312-890-6221. 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.

Mandala Financial Advisors LLC is registered as an Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about MFA is available on the SEC's website at www.adviserinfo.sec.gov, which can be found using the firm's identification number, 304810.

Item 2: Material Changes

Since MFA's last Form ADV Part 2A filing dated May 2, 2022, we have made the following changes:

- Modified fee amounts as follows (changes are in bold):

  Full Service Model - Flat Fee

  Where a Client has asked MFA to manage assets valued from $0 - $250,000, a flat fee is charged:

  - One-time-only upfront charge of **$1,725 ($575**/month for Months 1-3), and followed by
  - Ongoing annual fee of **$2,760** for individuals & $3,960 for couples paid monthly **($230**/month & $330/month, respectively), starting in Month 4.

  Project-Based Model

  The Project-Based Service Model allows a Client to request discrete financial planning projects that can cover any of the financial planning topics described in the Agreement. Fees for this service are determined at an hourly rate of **$290**, billed monthly, in arrears. Fees are to be paid by credit card, electronic funds transfer, or check.

  We ask that you refer to Item 5 of this brochure for more details.

- Firm is now registered in Colorado.

From time to time, we may amend this Brochure to reflect changes in our business practices, changes in regulations, and routine annual updates as required by securities regulators. Either this complete 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 Mandala Financial Advisors LLC.

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Item 4: Advisory Business

Description of Advisory Firm

Mandala Financial Advisors LLC (MFA) is registered as an Investment Adviser, and began operations in October 2019. John McGowan is the principal owner, Chief Compliance Officer, and CEO of MFA. MFA reports $10,500,000 discretionary and no non-discretionary Assets Under Management as of December 31, 2022.

Types of Advisory Services

Financial Planning

Financial planning is the core of every relationship MFA has with its Clients. Financial planning involves an 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.

In general, the financial plan will address any or all of the following areas:

- **Financial Goals**: The Advisor helps the Client identify what they want to accomplish, what resources they will need to make it happen, how much time they will need to reach their goals, and how much they should budget for each goal.
- **Cash Flow and Debt Management**: The Advisor conducts a review of the Client's income and expenses to determine their current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed the Client's 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. The Advisor may also recommend what they 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.
- **Investment Analysis**: The Advisor develops a target asset allocation strategy between various asset classes for the Client's investable assets. This allocation is designed to be consistent with the goals communicated by the Client to the Advisor within the risk tolerances of the Client as measured by a qualified third-party. The strategies and types of investments the Advisor may recommend are further discussed in Item 8 of this brochure.
- **Business Planning:** The Advisor provides 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, the Advisor will work with the Client to assess their current situation, identify their objectives, and develop a plan aimed at achieving their goals.
- **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 the Client to save the desired amount. Recommendations as to savings strategies are included, and, if needed, the Advisor reviews their financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).
- **Employee Benefits Optimization**: The Advisor will provide a review and analysis as to whether the Client, as an employee, is taking the maximum advantage possible of their employee benefits. If the

Client is a business owner, the Advisor will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.

- **Retirement Planning**: Retirement planning services typically include projections of the Client's likelihood of achieving their financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, the Advisor 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).
- **Estate Planning**: This usually includes an analysis of the Client's exposure to estate taxes and their current estate plan, which may include whether they have a will, powers of attorney, trusts, and other related documents. The Advisor offers ways for the Client to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts. MFA always recommends that a Client consults with a qualified attorney when they initiate, update, or complete estate planning activities. MFA may provide Clients with contact information for attorneys who specialize in estate planning when Clients wish to hire an attorney for such purposes. From time-to-time, the Advisor will participate in meetings or phone calls between the Client and their attorney upon Client approval or request.
- **Insurance**: Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home, and automobile.
- **Risk Management:** A risk management review includes an analysis of the Client's exposure to major risks that could have a significant adverse impact on the Client's 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 the Client's overall financial planning picture. For example, the Advisor may make recommendations on which type of account(s) or specific investments should be owned based in part on their "tax efficiency," with the consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact the Client's situation. MFA recommends that Clients consult with a qualified tax professional before initiating any tax planning strategy. MFA may provide Clients with contact information for accountants or attorneys who specialize in this area when Clients wish to hire someone for such purposes. The Advisor will participate in meetings or phone calls between the Client and their tax professional upon Client approval or request.

A Client works one-on-one with an Advisor, in an ongoing relationship. The Advisor helps the Client develop and implement their comprehensive plan, monitors the plan ongoing, and recommends any changes needed to keep the plan up to date.

An Advisor holds initial conversations with the Client to help them establish their goals and values related to their wealth. The Client is required to provide information to help complete the following areas of analysis: net worth, cash flow, insurance, credit scores/reports, employee benefits, retirement planning, investments, college planning, and estate planning.

The Client will receive an initial written or an electronic report providing a detailed financial plan designed to help them achieve their stated financial goals and objectives. During the first year of the relationship, the Client and Advisor will review the current plan together each quarter to ensure its accuracy and ongoing appropriateness. The Client and Advisor will meet at least semi-annually beyond the first year. Any needed updates will be implemented by the Advisor following these meetings; the Advisor will provide an email communication to Client to confirm that any agreed upon action steps has been carried out. Follow-up meetings will be scheduled at the Client's convenience. The plan and the Client's financial situation and goals will be monitored by the Advisor throughout the year. The Client will have unlimited access to the Advisor by phone calls and email to ask questions and to provide important information as their circumstances evolve.

Fees pertaining to this service are outlined in Item 5 of this brochure.

Investment Management Services

Clients may also choose MFA to manage their individually tailored investment portfolios on a discretionary basis. MFA provides continuous advice to a Client regarding the investment of their funds based on the individual needs of the Client as expressed in their financial plan. Through personal discussions in which goals and objectives based on a Client's particular circumstances are established, the Advisor develops the Client's personal investment policy with an asset allocation target. The Advisor then creates and manages a portfolio based on that policy and allocation targets. The Advisor will 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.

Educational Seminars and Speaking Engagements

MFA may provide seminars on an "as announced" basis for groups seeking general advice on investments and other areas of personal finance. The content of these seminars will vary depending upon the needs of the attendees. These seminars are purely educational in nature and do not involve the sale of any investment products. Information presented will not be based on any individual's person's need, nor does MFA provide individualized investment advice to attendees during these seminars.

Client Tailored Services and Client Imposed Restrictions

MFA offers the same suite of services to all of its Clients. However, specific investment recommendations 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

MFA does 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 advisory client 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. Please review the fee and compensation information below.

Full Service Model

The Full Service Model includes ongoing Financial Planning and Investment Management services as described in Item 4. The Client fee is dependent upon the value of investment assets under management (AUM).

Flat Fee

Where a Client has asked MFA to manage assets valued from $0 - $250,000, a flat fee is charged:

- One-time-only upfront charge of $1,725 ($575/month for Months 1-3), and followed by
- Ongoing annual fee of $2,760 for individuals & $3,960 for couples paid monthly ($230/month & $330/month, respectively), starting in Month 4.

The upfront portion of the fee is for Client onboarding, data gathering, and setting the basis for the financial plan. This work will commence immediately upon receiving the first fee installment. The upfront portion of the fee will not be paid more than 6 months in advance.

Fees are paid by credit card, electronic funds transfer, or check on the first business day of each month. This service may be terminated with written notice at least 30 calendar days in advance. Upon termination of any agreement, the fee will be prorated and any unearned fee will be refunded to the Client.

Tiered Fee

Where a Client has asked MFA to manage assets greater than $250,000, a tiered fee is charged as a percentage of AUM:

Asset (AUM) Tier	Annual Advisory Fee
First $1,000,000	1.00%
Above $1,000,000	0.50%

The annual fees are negotiable, prorated 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 resulting in a combined weighted fee. For example, an account valued at $1,500,000 would pay an effective fee of 0.83% with the annual fee of $12,500.00. The quarterly fee is determined by the following calculation: (($1,000,000 x 1.00%) + ($500,000 x 0.50%) ÷ 4 = $3,125. No increase 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 investment accounts (Please see Item 15 below for more information on this direct fee deduction). Accounts initiated or terminated during a calendar quarter will be charged a prorated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no refund will be needed upon termination of the account.

Project-Based Service Model

A Client may request discrete financial planning projects that can cover any of the financial planning topics described in Item 4. Fees for this service are determined at an hourly rate of $290, billed monthly, in arrears. Fees are to be paid by credit card, electronic funds transfer, or check.

If the Client and MFA agree to a fixed fee for a given project, half of the fee is due upfront and the remainder is due upon completion of work. MFA will not bill an amount above $500.00 more than 6 months in advance. Fees are to be paid by electronic funds transfer or check. In the event of early termination, any prepaid but unearned fees will be refunded to the Client and any completed deliverables of the project will be provided to the Client and no further fees will be charged.

Other Types of Fees and Expenses

MFA 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, brokers, 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 MFA fees, and MFA shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that MFA considers in requiring Clients to use TD Ameritrade as their custodian for Client’s transactions and determining the reasonableness of their compensation (e.g., commissions).

MFA does 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

MFA does not offer performance-based fees and does not engage in side-by-side management.

Item 7: Types of Clients

MFA provides financial planning and portfolio management services to individuals, high net-worth individuals and/or small businesses.

MFA does not have a minimum account size requirement.

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

MFA’s primary methods of investment analysis are fundamental and technical.

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 the 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.

Passive and Active Investment Management

We may choose investment vehicles that are considered passive, active, or a combination of both styles. Models and allocations will vary based on a Client's specific needs.

Passive investing involves building portfolios that are composed of various distinct asset classes. The asset classes are weighted in a manner to achieve a desired relationship between correlation, risk and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio.

Active investing 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. Actively managed funds are also designed to reduce volatility and risk.

We may engage in both passive and active investing in a Client's portfolio. However, we strive to construct portfolios of funds and individual securities that we believe will have the greatest probability for achieving our clients' personal financial goals with the least amount of volatility and risk rather than attempt to outperform an arbitrary index or benchmark.

Specific investment selections are based on a number of factors that we evaluate in order to select, what we believe to be, the highest quality funds or individual securities for our clients. These factors include but are not limited to underlying holdings of funds, percentage weighting of holdings within funds, liquidity, tax efficiency, bid/ask spreads, and other smart/strategic beta factors. These factors may or may not result in the lowest cost ETFs and mutual funds available when utilizing funds in a client's portfolio, but we strive to keep internal fund expenses as low as possible.

Material Risks Involved

All investing strategies MFA offers 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 MFA's 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 or manager'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.

- **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 factors such 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.

- **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 (premium) or below (discount) their net asset value and an ETF purchased at a premium may be sold at a discount; or (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 the Clients invest.

- **Mutual Fund 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

Criminal or Civil Actions

MFA and its management have not been involved in any criminal or civil action.

Administrative Enforcement Proceedings

MFA and its management have not been involved in administrative enforcement proceedings.

Self-Regulatory Organization Enforcement Proceedings

MFA and its management have not been involved in legal or disciplinary events that are material to a Client’s or prospective Client’s evaluation of MFA or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

No MFA employee is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No MFA employee is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

MFA does not have any related parties. As a result, MFA does not have a relationship with any related parties.

MFA only receives compensation directly from Clients. MFA does not receive compensation from any outside source. MFA does 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, MFA and its associates have a duty of utmost good faith to act solely in the best interests of each Client. Clients entrust MFA with their funds and personal information, which in turn places a high standard on

MFA's conduct and integrity. MFA's fiduciary duty is a core aspect of its Code of Ethics and represents the expected basis of all of its 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.

MFA periodically reviews and amends its Code of Ethics to ensure that it remains current, and it requires all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. MFA will provide 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 the 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 the 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

The firm and its "related persons" may buy or sell securities similar to, or different from, those MFA recommends to Clients for their accounts. In an effort to mitigate certain conflicts of interest involving the firm or personal trading, MFA policy may require that MFA restricts or prohibits 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 MFA maintains the required personal securities transaction records per regulation. The trading of related persons is prohibited from front-running or disadvantaging the firm's trading for Clients.

Trading Securities At/Around the Same Time as Client's Securities

From time to time, the firm or its "related persons" may buy or sell securities for themselves at or around the same time as Clients. The trading of related persons is prohibited from front-running or disadvantaging the firm's trading for Clients.

Item 12: Brokerage Practices

Factors Used to Select Custodians and/or Broker-Dealers

MFA does not have any affiliation with Custodians. Specific custodian requirements are made to the Client based on their need for such services. MFA requires custodians based on the reputation and services provided by the firm.

1. Research and Other Soft-Dollar Benefits

MFA does not have any soft-dollar arrangements with custodians whereby soft-dollar credits, used to purchase products and services, are earned directly in proportion to the amount of commissions paid by a Client. However, as a result of being on their institutional platform, TD Ameritrade provides us with certain services and products that may benefit us. This creates a conflict of interest because we require all Clients to use TD Ameritrade as a custodian. All such soft dollar benefits are consistent with the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. We believe that our requirement that Clients use TD Ameritrade as a custodian is in the Client's best interest based on the fees charged and services provided.

2. Brokerage for Client Referrals

MFA receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker/Dealer/Custodian to Use

MAF requires clients to use a specific custodian. By requiring clients to use a specific custodian, we may be unable to achieve most favorable execution of client transactions; this may cost clients higher fees over using a lower-cost custodian.

The Custodian and Brokers We Use (TD Ameritrade)

MAF participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade"), member FINRA/SIPC. TD Ameritrade is an independent [and unaffiliated] SEC-registered broker-dealer. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance, and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the program. (Please see the disclosure under Item 14 below.)

Aggregating (Block) Trading for Multiple Client Accounts

Generally, MFA combines multiple orders for shares of the same securities purchased for advisory accounts MFA manages (this practice is commonly referred to as "block trading"). MFA will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to MFA's discretion, regarding particular circumstances and market conditions, when MFA combines orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by MFA or persons associated with the 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 Advisory Service will be reviewed regularly on a quarterly basis by John McGowan, CEO and Chief Compliance Officer. 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. The advisor will meet with each portfolio management client at least annually to review portfolio and investment profile to discuss any changes that may impact their investment policy statement.

Clients will receive trade confirmations from TD Ameritrade 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.

MFA will provide written reports to Investment Advisory Clients on a quarterly basis. MFA urges Clients to compare these reports and invoices against the account statements they receive from their custodian and promptly notify MFA of any discrepancies.

Item 14: Client Referrals and Other Compensation

Other than the soft dollar benefits described in Item 12 above and immediately below, MFA does not receive any economic benefit, directly or indirectly, from any third party for advice rendered to its Clients. Nor does MFA, directly or indirectly, compensate any person who is not advisory personnel for Client referrals.

As disclosed under Item 12, above, MFA participates in TD Ameritrade's institutional customer program and requires Clients to use TD Ameritrade for custody and brokerage services. There is no direct link between MFA's participation in the program and the investment advice it gives to its Clients, although MFA receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving MFA participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to MFA by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by MFA's related persons. Some of the products and services made available by TD Ameritrade through the program benefit MFA but may not benefit its Client accounts. These products or services may assist MFA in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help MFA manage and further develop its business enterprise. The benefits received by MFA or its personnel through participation in the program do not depend on the number of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to Clients, MFA has a responsibility to act in the Client's best interest at all times. Clients should be aware, however, that the receipt of economic benefits by MFA or its related persons in and of itself creates a conflict of interest and indirectly influences MFA's choice of TD Ameritrade for custody and brokerage services. MFA Advisors make clients aware of this conflict verbally and in writing through distribution of this ADV Firm Brochure. The Client acknowledges receiving the ADV Firm Brochure in the advisory contract. We believe that our requirement that Clients use TD Ameritrade as a custodian is in the Client's best interest based on the fees charged and services provided.

Item 15: Custody

MFA does not accept custody of Client funds except in the instance of withdrawing Client fees.

For Client accounts in which MFA directly debits their advisory fee:

i. MFA 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 MFA, permitting them to be paid directly for their accounts held by the custodian.

Clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains Client's investment assets. MFA urges Clients to carefully review such statements and compare such official custodial records to the invoices or reports that MFA provides and promptly notify MFA of any discrepancies. MFA's billing 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 MFA provides Investment Management 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 MFA 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

MFA will vote proxies on behalf of Clients in accordance with its policies and procedures and in the Client's best interests. Where MFA has discretion over an investment account, the Client will select **one of three choices** regarding voting proxies and acting on corporate actions pertaining to the Client's investment assets:

1) The Client elects to receive and vote on proxies; if the Client would like MFA's opinion on a particular proxy vote, they may contact MFA at the number listed on the cover of this brochure
2) The Client elects to have MAF receive and vote on proxies on the Client's behalf
3) The Client elects to have MAF receive and vote on proxies on the Client's behalf, and informational copies of proxies will be sent to the Client

Item 18: Financial Information

Registered Investment Advisers are required in this Item to provide Clients with certain financial information or disclosures about the firm's financial condition. MFA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and it has not been the subject of a bankruptcy proceeding.

MFA does 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

Principal Officers
John McGowan serves as MFA's sole principal. Information about John McGowan's education, business background, and outside business activities can be found on his ADV Part 2B, Brochure Supplement attached to this Brochure.

Outside Business
All outside business information, if applicable, of MFA is disclosed in Item 10 of this Brochure.

Performance-Based Fees
Neither MFA nor John McGowan is compensated by performance-based fees.

Material Disciplinary Disclosures
No management person at MFA 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
MFA nor John McGowan have any relationship or arrangement with issuers of securities.

Business Continuity Plan
MFA maintains a written Business Continuity Plan that identifies procedures related to an emergency or significant business disruptions, including the death of the investment adviser or any of its representatives.

500 Locust Street. Suite 160
Des Moines, Iowa 50309
(By Appointment Only)

www.mandala.financial

312-890-6221

Dated March 7, 2023

Form ADV Part 2B – Brochure Supplement

For

John McGowan 4825807

CEO, and Chief Compliance Officer

This brochure supplement provides information about John McGowan that supplements the Mandala Financial Advisors LLC ("MFA") brochure. A copy of that brochure precedes this supplement. Please contact John McGowan if the MFA brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about John McGowan is available on the SEC's website at www.adviserinfo.sec.gov which can be found using the identification number 4825807

Item 2: Educational Background and Business Experience

John McGowan

Born: 1958

Educational Background

- 1988 - MBA, University of Chicago
- 1980 - Bachelor of Science, Loyola University of Chicago

Business Experience

- 10/2019 – Present, Mandala Financial Advisors LLC, CEO and CCO
- 02/2018 – 03/2019, Krause Group, Executive Director
- 10/2017 – 02/2018, Unemployed
- 08/2014 – 10/2017, CTC/myCFO, Managing Director
- 03/1998 - 07/2014, Northern Trust, National Practice Leader

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 S*tandards 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 Mandala Financial Advisors 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.

Item 4: Other Business Activities

John McGowan is not involved with outside business activities.

Item 5: Additional Compensation

John McGowan does not receive any economic benefit from any person, company, or organization, in exchange for providing Clients advisory services through MFA.

Item 6: Supervision

John McGowan, as CEO and Chief Compliance Officer of MFA, supervises the advisory activities of our firm. John McGowan is bound by the firm's policies and procedures and Code of Ethics. Clients may contact John McGowan at the phone number on this brochure supplement.

Item 7: Requirements for State Registered Advisers

John McGowan has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.