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Mullaney Financial & Tax, Inc.

P.O. Box 785  
Woodland Hills, CA 91365

**Form ADV Part 2A – Firm Brochure**

703.863.5416

Dated February 11, 2022

This Brochure provides information about the qualifications and business practices of Mullaney Financial & Tax, Inc., “MFT”. If you have any questions about the contents of this Brochure, please contact us at 703.863.5416. 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.

Mullaney Financial & Tax, Inc. is registered as an Investment Adviser with the State of California. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about MFT 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 299906.

## Item 2: Material Changes

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The following are the material changes in this Form ADV Part 2A since the filing of MFT's last Form ADV Part 2A, which was dated November 5, 2021:

Item 4: The descriptions of the various areas of advisory services have changed, as MFT shifted from an a la carte hourly planning model to a flat-fee plan model.

Item 5: MFT has changed its fee structure. It now charges flat fees for service. Previously, MFT charged hourly rates.

Item 19: Sean W. Mullaney started a YouTube channel in February 2022. It currently generates no revenue but may in the future.

## Item 3: Table of Contents

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## Item 4: Advisory Business

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### Description of Advisory Firm

Mullaney Financial & Tax, Inc. is registered as an Investment Adviser with the State of California. We were founded on December 3, 2018. Sean W. Mullaney is the principal owner of MFT.

We are a fee-only, hourly practice. MFT does not sell products or manage money. We provide a wide range of comprehensive or a la carte services for individuals, families, and employers. This includes financial planning, investment advice, insurance advice, and tax advice. Mullaney Financial & Tax, Inc. is also an accountancy corporation licensed by the California Board of Accountancy.

### Types of Advisory Services

#### Detailed Financial Plan and Recommendations

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 impact and are impacted 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.

The client always has the right to decide whether or not to act upon our recommendations. If the client elects to act on any of the recommendations, the client always has the right to affect the transactions through anyone of their choosing.

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

- **Estate Planning:** This usually includes an analysis of your current estate plan, which may include whether you have a will, trust, powers of attorney, trusts and other related documents. Our advice also may include ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies.

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.

- **Insurance/Risk Management:** May include a review of existing policies to ensure proper coverages (as necessitated by a client's particular situation). Policies that may be reviewed include life, disability, liability, and earthquake. May also include coverage level recommendations and recommendations around risk management. Coverages such as home, auto, and medical will not be reviewed or analyzed unless you specifically request MFT to do so.
- **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, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected employer, broker/dealer, or custodian. This may also involve recommendations around paying off various debt, investments in real estate, and/or emergency funds. 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.

- **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 affect your situation. Planning in this regard could include recommendations around college savings, insurance, retirement plans, employer sponsored retirement accounts, self-employment retirement accounts, estate tax, and other tax rules and accounts. Tax structuring for business may also be part of these recommendations and analysis. There is no guarantee that tax planning in this regard will not be adversely affected by future law changes at the federal and/or state level. Further, considering the complexity involved in the tax laws, there can be no guarantee that federal and state taxing authorities (such as the Internal Revenue Service) will view the tax law's

application to a particular set of circumstances (including your own) the same way that MFT views them.

Planning in this regard does not include the preparation of any tax returns or forms.

MFT does offer individual and business tax consulting services as well as tax return preparation and offers to represent clients before the IRS and state taxing authorities. No client is obligated to use MFT for any accounting services. MFT's accounting services do not include the authority to sign checks or otherwise disburse funds on any of our advisory client's behalf.

- **Major Purchase/Cash Flow Needs:** This may include an assessment of, and recommendations regarding, debt/mortgage payoff, mortgage terms, funding college educations, or funding other pressing needs or desires.

Clients receive a financial plan discussing the above subject areas. Clients work with MFT for a period generally not to exceed 90 days as part of this planning process.

#### **Revised Detailed Financial Plan and Recommendations**

This service is exclusively for clients who have previously been clients of MFT. For a reduced price (see Item 5), MFT will produce a revised detailed financial plan addressing the six areas discussed immediately above.

Clients receive a financial plan discussing the above subject areas. Clients work with MFT for a period generally not to exceed 90 days as part of this planning process.

#### **Hourly Extension of Detailed Financial Plan and Recommendations or Revised Detailed Financial Plan and Recommendations**

In limited circumstances, MFT and a client may agree that at the end of the 90 day planning period, there is a need to continue working together on financial planning. MFT and clients can agree to extend the financial planning process period for 30 days at a time. The fees for such extensions are \$350 per hour billed in quarter hour increments.

#### **Fourth Quarter Tax Planning**

This service is exclusively for clients who have previously been clients of MFT. Clients work with MFT starting no earlier than October 1st and no later than December 1st. MFT will produce detailed recommendations regarding year-end tax planning, which may include retirement plan establishment and/or contributions, other income tax planning, and/or retirement tax planning (such as Roth conversions). Such services end no later than January 1st immediately following the relevant fourth quarter. Fourth Quarter Tax Planning is a planning service and does not include the preparation of any tax returns or forms.

There is no guarantee that tax planning in this regard will not be adversely affected by future law changes at the federal and/or state level. Further, considering the complexity involved in the tax laws, there can be no guarantee that federal and state taxing authorities (such as the Internal Revenue Service) will view the tax law's application to a particular set of circumstances (including your own) the same way that MFT views them.

**The below part of this Item 4 applies only to clients who became clients of Mullaney Financial & Tax, Inc. prior to the date of this Form ADV Part 2 (February 11, 2022) who have existing financial planning agreements in place as of this date.**

### **Financial 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 impact and are impacted 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.

The client always has the right to decide whether or not to act upon our recommendations. If the client elects to act on any of the recommendations, the client always has the right to affect the transactions through anyone of their choosing.

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 areas. Below are general descriptions of the areas covered. The services and planning provided to each client within each area will vary based on the unique needs of each client.

- **Business Planning:** We provide consulting services for clients who currently operate their own business or are considering starting a business. Under this type of engagement, we usually work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.
- **College Savings:** May include 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).
- **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:** This usually includes helping clients identify financial goals and develop a plan to reach them. We may 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/Risk Management:** May include a review of existing policies to ensure proper coverages (as necessitated by a client's particular situation). Policies that may be reviewed include life, health, disability, long-term care, liability, home, and automobile. May also include coverage level recommendations and recommendations around risk management.
- **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, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. This may also involve recommendations around paying off various debt, investments in real estate, and/or emergency funds. 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.

- **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 affect your situation. Planning in this regard could include recommendations around college savings, insurance, retirement plans, estate tax, and other tax rules and accounts. MFT does offer individual and business tax consulting services as well as tax return preparation and offers to

represent clients before the IRS and state taxing authorities. No client is obligated to use MFT for any accounting services. MFT's accounting services do not include the authority to sign checks or otherwise disburse funds on any of our advisory client's behalf.

## **CCR Section 260.235.2 Disclosure**

For clients who receive our Financial Planning services, we must state when a conflict exists between the interests of our firm and the interests of our client. The client is under no obligation to act upon our recommendation. If the client elects to act on any of the recommendations, the client is under no obligation to affect the transaction through our firm.

# **Item 5: Fees and Compensation**

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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 and without penalty. Please review the fee and compensation information below.

## **Financial Planning Fees**

### **Detailed Financial Plan and Recommendations**

MFT charges on a fee-only basis for financial planning. The fee for Detailed Financial Plan and Recommendations is \$4,400. The first half of the fee, \$2,200, is due prior to the commencement of services and is generally nonrefundable. The second half of the fee, \$2,200, is due 30 days after the services have been rendered. In the event of early termination by client, a ratable share of the unbilled fee based on work performed may be charged. If MFT cancels the engagement early it will refund the previously collected \$2,200.

Payment is made through a third-party payment processor such as Venmo, and/or checks or money orders.

### **Revised Detailed Financial Plan and Recommendations**

MFT charges on a fee-only basis for financial planning. The fee for Revised Detailed Financial Plan and Recommendations is \$3,300. The first half of the fee, \$1,650, is due prior to the commencement of services and is generally nonrefundable. The second half of the fee, \$1,650, is due 30 days after the services have been rendered. In the event of early termination by client, a ratable share of the unbilled fee based on work performed may be charged. If MFT cancels the engagement early it will refund the previously collected \$1,650.

Payment is made through a third-party payment processor such as Venmo, and/or checks or money orders.



### **Hourly Extension of Detailed Financial Plan and Recommendations or Revised Detailed Financial Plan and Recommendations**

Fees for this service are hourly at a rate of \$350.00. All hourly fees are billed in quarter-hour increments with a partial increment rounded up to a whole increment. Fees are due 30 days after the end of Services. In the event of early termination by client, any fees for the hours already worked will be due.

Payment is made through a third-party payment processor such as Venmo, and/or checks or money orders.

### **Fourth Quarter Tax Planning**

MFT charges on a fee-only basis for financial planning. The fee for Fourth Quarter Tax Planning is \$1,500. The first half of the fee, \$750, is due prior to the commencement of services and is generally nonrefundable. The second half of the fee, \$750, is due 30 days after the services have been rendered. In the event of early termination by client, a ratable share of the unbilled fee based on work performed may be charged. If MFT cancels the engagement early it will refund the previously collected \$750.

Payment is made through a third-party payment processor such as Venmo, and/or checks or money orders.

### **Other Types of Fees and Expenses**

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that 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 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 broker-dealers 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.

### **CCR Section 260.238(j) Disclosure**

Please note, lower fees for comparable services may be available from other sources.

**The below part of this Item 5 applies only to clients who became clients of Mullaney Financial & Tax, Inc. prior to the date of this Form ADV Part 2 (February 11, 2022) who have existing financial planning agreements in place as of this date.**

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 and without penalty. Please review the fee and compensation information below.

### **Financial Planning Hourly Fee**

MFT charges on a fee-only basis for financial planning. Fees are hourly at a rate of \$320.00. All hourly fees are billed in quarter-hour increments with a partial increment rounded up to a whole increment. The first hour is charged in advance and is generally non-refundable (subject to the first paragraph in this Item 5). Fees for all other work are periodically billed as work is performed. In the event of early termination by client, any fees for the hours already worked will be due.

Payment is made through a third-party payment processor such as Venmo, and/or checks or money orders.

### **Other Types of Fees and Expenses**

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that 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 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 broker-dealers 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.

### **CCR Section 260.238(j) Disclosure**

Please note, lower fees for comparable services may be available from other sources.

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

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We do not offer performance-based fees.

## **Item 7: Types of Clients**

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We provide financial planning and portfolio management services to individuals, high net-worth individuals and corporations or other businesses. There are no minimum asset or income requirements to be a MFT client

The investment advisor representative of MFT may from time to time conduct speaking engagements and/or educational workshops which may include presentations on financial planning, investment planning, estate planning, retirement planning, and tax planning. Attendees are welcome to explore engaging MFT to provide services, but are under no obligation to do so. MFT's investment advisor representative may also present workshops for other investment professionals and/or tax professionals which focus on financial planning, tax planning, and practice management. MFT may provide advisory services to other financial advisory firms and/or other tax professionals on a subcontractual basis or on an as needed basis.

MFT reserves the right to decline services to any prospective client for any nondiscriminatory reason.

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

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We may refer clients to third-party investment advisers ("outside managers"). Our analysis of outside managers involves the examination of the experience, expertise, investment philosophies, and past performance of the outside managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks. A risk of investing with an outside manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in an outside manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory, or reputational deficiencies.

### **Passive Investment Management**

We generally recommend passive investment strategies. Passive investing involves building portfolios that are comprised 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. 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.

## 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 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 micro 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, 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.

**Limited markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions we may be unable to sell or liquidate investments at prices we consider reasonable or favorable or find buyers at any price.

**Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

**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.

**Commercial Paper** is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured the risk to the investor is that the issuer may default.

**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.

**Bank Obligations** including bonds and certificates of deposit may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are greatly affected by interest rates and may be adversely affected by downturns in the U.S. and foreign economies or changes in banking regulations.

**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.

**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.

**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). 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) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) 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 clients invest.

# Item 9: Disciplinary Information

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## **Criminal or Civil Actions**

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

## **Administrative Enforcement Proceedings**

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

## **Self-Regulatory Organization Enforcement Proceedings**

MFT 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 MFT or the integrity of its management.

# Item 10: Other Financial Industry Activities and Affiliations

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

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

MFT 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.

MFT is engaged in fee-only hourly financial planning, as described more fully in Item 4. MFT may conduct seminars on financial planning or other topics as described in Item 7. MFT may provide advisory services to other financial advisory firms and/or tax professionals on a sub-contractual or an as needed basis as described in Item 7.

MFT does not refer clients to other Investment Advisory Firms in return for a fee. Clients may engage our services as an hourly project to help them through a selection process. Referrals may be provided, but only as a service and as requested by clients. In such instances, MFT but receives no compensation from the Advisory Firm.

Sean W. Mullaney, MFT's President and CCO, is an associate member of the National Association of Personal Financial Advisors.

MFT does offer individual and business tax consulting services as well as tax return preparation and offers to represent clients before the IRS and state taxing authorities, however MFT does not have signatory authority over any client accounts.

### **Disclosure of Material Conflicts**

All material conflicts of interest under CCR Section 260.238(k) are disclosed regarding MFT, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

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

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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.

### **Code of Ethics Description**

MFT has adopted the National Association of Personal Financial Advisors (“NAPFA”) code of ethics. It is as follows:

**Objectivity:** NAPFA members strive to be as unbiased as possible in providing advice to clients, and NAPFA members practice on a Fee-Only basis.

**Confidentiality:** NAPFA members shall keep all client data private, unless authorization is received from the client to share it. NAPFA members shall treat all documents with care and take care when disposing of them. Relations with clients shall be kept private.

**Competence:** NAPFA members shall strive to maintain a high level of knowledge and ability. Members shall attain continuing education at least at the minimum level required by NAPFA. Members shall not provide advice in areas where they are not capable.

**Fairness & Suitability:** Dealings and recommendation with clients will always be in the client’s best interests. NAPFA members put their clients first.

**Integrity & Honesty:** NAPFA members will endeavor to always take the high road and to be ever mindful of the potential for misunderstanding that can accrue in normal human interactions. NAPFA members will be diligent to keep actions and reactions so far above board that a thinking client or other professional would not doubt intentions. In all actions, NAPFA members should be mindful that in addition to serving our clients, we are about the business of building a profession, and our actions should reflect this.

**Regulatory Compliance:** NAPFA members will strive to maintain conformity with legal regulations.

**Full Disclosure:** NAPFA members shall fully describe method of compensation and potential conflicts of interest to clients and also specify the total cost of investments.

Professionalism: NAPFA members shall conduct themselves in a way that would be a credit to NAPFA at all times. NAPFA membership involves integrity, honest treatment of clients, and treating people with respect.

We periodically review 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 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.

## **Personal Trading**

A recommendation made to one client may be different in nature or in timing from a recommendation made to a different client.

MFT will only own interests in bank accounts and other cash and cash-equivalent accounts and interests (such as deposits and prepayments of fees on the IARD system).

Persons related to MFT (such as Sean W. Mullaney) may buy or sell securities the same or similar to those we recommend to clients for their accounts. As described in Item 8, MFT generally advises clients using passive investments. Such investments are usually broadly held and comprised of hundreds or thousands of individual securities. This mitigates the risk that a person related to MFT could be advantaged by a client taking action based on an MFT investment recommendation, and it mitigates the risk that a client could be disadvantaged by a person related to MFT buying or selling the same or similar investment.

At no time will MFT or any related party receive preferential treatment over its clients. Further, any such purchases or sales of securities by MFT's related persons will be done in a manner consistent with the Code of Ethics and related persons will maintain securities transactions records.

## **Item 12: Brokerage Practices**

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MFT recommends or has recommended firms such as Vanguard, Fidelity, Schwab, or similar broker/dealer firms. Recommendations are based upon quality, cost, and specific client needs. Ultimately, it is the client who makes the decision as to where to execute their transactions, not MFT. MFT does not receive any commission, soft dollars, client referrals or any other benefits from recommending a particular broker-dealer.

MFT permits clients to choose the direct brokerage of their choice. Clients understand that it is their decision which broker-dealer to use.



## Item 13: Review of Accounts

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MFT provides financial planning services of various scopes (as described in Item 4) on an hourly basis, depending on the complexity of services. No account reviews are performed, unless such reviews are within the scope of the financial planning agreement entered into with the client. MFT will not perform a review of client accounts or financial plans unless the Client requests a review of accounts.

## Item 14: Client Referrals and Other Compensation

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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.

MFT may also receive referrals from associations that we belong to or through website searches. MFT employees attend conferences at which exhibitors have booths. Employees may accept trinkets from exhibitors at conferences as long as the trinkets are less than \$50 in estimated value.

## Item 15: Custody

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MFT does not accept custody of client funds. Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. We urge you to carefully review such statements.

## Item 16: Investment Discretion

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MFT does not directly provide investment management services, nor does it engage in discretionary trading within a client account.

### **Financial Planning Implementation Services**

Should you ask us to assist you in any trade execution (including account rebalancing), it will only be done with your selected service provider and on a *non-discretionary basis*, requiring your prior approval for each transaction with regard to the investment and reinvestment of account assets, or for our firm to give instructions to the custodian maintaining your account.

Please note that in light of the requirement for your pre-approval you must make yourself available and keep us updated on your contact information so that instructions can be efficiently affected on your behalf.

## Item 17: Voting Client Securities

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We do not vote client proxies. Therefore, clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the client's investment assets. The client shall instruct the client's qualified custodian to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. If the client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

## Item 18: Financial Information

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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

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## Sean W. Mullaney

Born: 1978

### Educational Background

- 2000 – BSBA, Accounting, Georgetown University
- 2007 – Juris Doctor, George Mason University, School of Law
- 2010 – Master of Laws (LLM), Taxation, Georgetown University Law Center
- 2016 - Certificate in Financial Planning, Georgetown University

### Business Experience

- 12/2018 – Present, Mullaney Financial & Tax, Inc., President and CCO
- 01/2011 – 06/2018, PwC, Director
- 01/2014 – 05/2015, George Mason University School of Law, Adjunct Professor
- 02/2009 – 05/2011, George Mason University School of Law, Adjunct Professor
- 10/2007 – 12/2010, IRS, Office of Chief Counsel, Attorney-Adviser

### Professional Designations, Licensing & Exams

**CPA (Certified Public Accountant):** Sean Mullaney is a Certified Public Accountant personally licensed by the California Board of Accountancy and the Virginia Board of Accountancy. CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two-year period or 120 hours over a three-year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous Code of Professional Conduct which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services. The vast majority of state boards of

accountancy have adopted the AICPA's Code of Professional Conduct within their state accountancy laws or have created their own.

## **Other Business Activities**

Sean W. Mullaney, the President of MFT, entered into a contract for compensation in March 2021 to author a book regarding individual taxation and retirement savings. This commitment will require varying hours and commitments, including time writing the book, processing edits, and promoting the book. During the winter and spring of 2021, it is anticipated this project could take approximately 10 to 30 hours per week. Afterwards, it may take approximately 2 to 10 hours a week, depending on various rounds of edits and promotional activities. Approximately 40 to 70 percent of this time is during securities trading hours. Sean W. Mullaney signed this publishing contract in March 2021.

Sean W. Mullaney also is exploring other opportunities to author books, present continuing education courses, and related opportunities for compensation. The content of these products would focus mostly on individual tax topics. This other business opportunity is not investment-related. The amount of time per month devoted to these pursuits varies, but currently average approximately 2 hours per month (but will increase if Sean W. Mullaney enters into any contracts to provide any such content). Approximately one-quarter of this time is during securities trading hours. This other business pursuit began in November 2020.

Sean W. Mullaney started a YouTube channel in February 2022. The videos discuss tax and other financial topics. The videos will be offered on YouTube, and may be offered on other platforms such as Rumble and Odyssey. Such content does not currently generate revenue. In the future, the videos may generate revenue (generally adviser revenue by advertisements placed in the video by the hosting platform). Such pursuits will generally take approximately 4 hours per month, mostly during non-securities trading hours.

Other than as described above, Sean W. Mullaney is not involved with outside business activities.

## **Performance Based Fees**

MFT is not compensated by performance-based fees.

## **Material Disciplinary Disclosures**

No management person at Mullaney Financial & Tax, Inc. 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**

Mullaney Financial & Tax, Inc., nor Sean W. Mullaney, have any relationship or arrangement with issuers of securities.

# Business Continuity Plan Notice

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## **General**

Mullaney Financial & Tax, Inc. has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

## **Disasters**

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are saved using commercially available cloud computing solutions.

## **Alternate Offices**

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

## **Loss of Key Personnel**

Mullaney Financial & Tax, Inc. is operated as a corporation with Sean W. Mullaney as the President and CCO. As the sole employee, the business depends fully on his capabilities. In the case of his disability, steps will be taken to determine if the business will continue and in what capacity. In the case of his death, there is no plan for continuation of the business and the business must be dissolved. At that time, clients will be notified.

# Privacy Notice

## FACTS

### WHAT DOES MULLANEY FINANCIAL & TAX, INC. DO WITH YOUR PERSONAL INFORMATION?

#### Why?

Registered Investment Advisers choose how they share your personal information. Federal law gives clients the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

#### What?

The types of personal information we collect, and share depend on the product or service you have with us. This information can include:

- Information you provide in the subscription documents and other forms (including name, address, social security number, date of birth, income and other financial-related information); and
- Data about your transactions with us (such as the types of investments you have made and your account status).

#### How?

All financial companies need to share clients' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their clients' personal information; the reasons Mullaney Financial & Tax, Inc. chooses to share; and whether you can limit this sharing.

#### Reasons we can share your personal information

**For our everyday business purposes—** to process your transactions, maintain your accounts (for example we may share with our third-party service providers that perform services on our behalf or on your behalf, such as accountants, attorneys, consultants, clearing and custodial firms, and technology companies, respond to court orders and legal investigations, or report to credit bureaus.

**For Marketing purposes—** to offer our products and services to you

#### How do we protect your information?

To safeguard your personal information from unauthorized access and use, we maintain physical, procedural and electronic safeguards. These include computer safeguards such as passwords, secured files and buildings.

Our employees are advised about MFT's need to respect the confidentiality of each client's non-public personal information. We train our employees on their responsibilities.

We require third parties that assist in providing our services to you to protect the personal information they receive. Mullaney Financial & Tax, Inc. uses commercially available programs, such as Google Suite and Dropbox Professional, for email communication, file storage, and data storage. Providers of such programs have information protection safeguards in place to protect your information.

## Other important information

We will send you notice of our Privacy Policy annually for as long as you maintain an ongoing relationship with us. Periodically we may revise our Privacy Policy and will provide you with a revised policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

## Mullaney Financial & Tax, Inc.

P. O. Box 785  
Woodland Hills, CA 91365  
703.863.5416

Dated March 15, 2021

### Form ADV Part 2B – Brochure Supplement

*For*

**Sean W. Mullaney**

President, and Chief Compliance Officer

This brochure supplement provides information about Sean W. Mullaney that supplements the Mullaney Financial & Tax, Inc. (“MFT”) brochure. A copy of that brochure precedes this supplement. Please contact Sean W. Mullaney if the MFT brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Sean W. Mullaney 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 7050416.



# Item 2: Educational Background and Business Experience

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## Sean W. Mullaney

Born: 1978

### Educational Background

- 2000 – BSBA. Accounting, Georgetown University
- 2007 – Juris Doctor, George Mason University, School of Law
- 2010 – Master of Laws (LLM), Taxation, Georgetown University Law Center
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### Business Experience

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## Item 3: Disciplinary Information

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No management person at Mullaney Financial & Tax, Inc. 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

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Sean W. Mullaney, the President of MFT, entered into a contract for compensation in March 2021 to author a book regarding individual taxation and retirement savings. This commitment will require varying hours and commitments, including time writing the book, processing edits, and promoting the book. During the winter and spring of 2021, it is anticipated this project could take approximately 10 to 30 hours per week. Afterwards, it may take approximately 2 to 10 hours a week, depending on various rounds of edits and promotional activities. Approximately 40 to 70 percent of this time is during securities trading hours. Sean W. Mullaney signed this publishing contract in March 2021.

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Other than as described above, Sean W. Mullaney is not involved with outside business activities. In his CPA capacity, Sean W. Mullaney does not have signatory authority over a client's account.

## Item 5: Additional Compensation

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Sean W. Mullaney does not receive any compensation or economic benefit from any person, company, or organization, in exchange for providing clients advisory services through MFT.

## Item 6: Supervision

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Sean W. Mullaney, as President and Chief Compliance Officer of MFT, is responsible for supervision. He may be contacted at the phone number on this brochure supplement.

## Item 7: Requirements for State Registered Advisers

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Sean W. Mullaney has NOT been found liable in an arbitration, civil, self-regulatory, or administrative proceeding, and has not be subject of a bankruptcy petition.