

# Toucan Financial

Toucan Financial, Inc.

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[toucan.fi](http://toucan.fi)

Form ADV Part 2A – Firm Brochure

Dated August 31, 2023

This Brochure provides information about the qualifications and business practices of Toucan Financial, Inc. If you have any questions about the contents of this Brochure, please contact us at (980) 999-2625. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority.

Additional information about Toucan Financial, Inc. 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, 321210.

Toucan Financial, Inc. is a Registered Investment Adviser. Registration does not imply any level of skill or training.

## Item 2: Material Changes

There have been the following material changes to this document from the previous filing date of March 20, 2023:

- The firm's office location has changed from 201 S. College Street, Suite 2770, Charlotte, NC, 28244, to 2030 Peppercorn Ln, Charlotte, NC, 28205, by appointment only.
- We have renamed our "Combined Investment Management and Ongoing Financial Planning" service "Comprehensive Wealth Planning."
- Comprehensive Wealth Planning comprises investment management, financial planning, and personal tax preparation and filing services. Refer to Item 4 of this brochure.
- We have updated our fee schedules in Item 5, including language regarding the grandfathering of fees for existing clients.
- The fee for Comprehensive Wealth Planning (formerly, Combined Investment Management and Ongoing Financial Planning) has changed from a range of \$2,400-\$100,000 to an \$8,000 minimum. Refer to Item 5 of this brochure.
- An \$8,000 minimum fee now applies to (hourly or fixed fee) Project-Based Financial Planning engagements. Refer to Item 5 of this brochure.
- "Retirement Plan and Pension Services" has been added in Item 4, and the fee schedule has been added in Item 5.
- "Educational Seminars and Speaking Engagements" has been added in Item 4.
- Added language in Items 4, 5, 8, 10, and 16 regarding the use of Outside Managers to assist with the management of client accounts when we determine it is appropriate for the client and their investable assets.

We have made other changes throughout this brochure for the purpose of clarifying the nature of our services and enhancing the overall readability and transparency of the disclosures contained herein. These changes are not material.

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 Toucan Financial, Inc.

If you have any questions about these changes, please contact our firm's principal owner, Ian Rahilly.

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## Item 4: Advisory Business

### Description of Advisory Firm

Toucan Financial, Inc. is a Registered Investment Adviser principally located in the state of North Carolina. We were incorporated in Delaware in April 2022 and foreign-qualified in North Carolina in May 2022. Toucan Financial, Inc. became registered in 2022. Ian Rahilly is the Founder, CEO, principal owner, and Chief Compliance Officer ("CCO").

As used in this brochure, the words "Toucan," "we," "our firm," "Advisor," and "us" refer to Toucan Financial, Inc., and the terms "you," "your," "their," and "Client" refer to you as either a client or prospective client of our firm.

### Types of Advisory Services

Toucan is a fee-only firm, meaning the only compensation we receive is from our clients for our services. From time to time, Toucan recommends third-party professionals such as attorneys, accountants, tax advisors, insurance agents, or other financial professionals. Clients are never obligated to utilize any third-party professional we recommend. Toucan is not affiliated with, nor does Toucan receive compensation from, third-party professionals we may recommend. Toucan offers four distinct advisory services: Comprehensive Wealth Planning, our flagship service, and Retirement and Pension Plan Consulting are ongoing services. Project-based Financial Planning and Educational Seminars and Speaking Engagements are one-time engagements. Clients may engage us for any combination of these services, which remain subject to distinct fees as outlined in Item 5 of this Brochure.

### **Comprehensive Wealth Planning**

Toucan's primary offering is Comprehensive Wealth Planning. An ongoing service, it encompasses investment management, financial planning, and tax preparation. Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions, establishing client goals and objectives, we develop Client's personal investment plan and create and manage a portfolio based on that plan and asset allocation targets. We will also review and discuss 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., principal preservation, income, capital appreciation, etc.), as well as risk tolerance and tax considerations.

We primarily advise our clients regarding investments in stocks, bonds, mutual funds, Exchange-Traded Funds (ETFs), U.S. government and municipal securities, and cash and cash equivalents. We may also provide advice regarding investments held in Client's portfolio at the inception of our advisory relationship and/or other investment types not listed above, at the client's request.

When we provide investment management services, clients grant us limited authority to buy and sell securities on a discretionary basis. More information on our trading authority is explained in Item 16 of this Brochure. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

At no additional fee and at Client's election, Advisor will also provide Client with ongoing financial advice. Advisor will engage Client in a comprehensive review of their balance sheet and finances, and Advisor will help Client establish and formalize their financial and lifestyle goals. Clients will be required to provide pertinent information to help complete the following areas of analysis: net worth, cash flow, insurance, credit scores/reports, employee benefits, retirement planning, insurance, investments, college planning, and estate planning. Once the client's information is reviewed, the findings, analysis, and potential changes to their current situation will be communicated to and reviewed with the client. In an effort to increase client engagement and provide an interactive planning experience in pursuit of Client's stated financial goals and objectives, Toucan takes a collaborative approach to financial plan production and development, often leveraging digital planning tools to allow more frequent updates to client financial plans. Presentation materials will, as such, be primarily digital (or online) in nature. Physical copies of plans, reports, and analysis will be provided to clients upon request. The plan and the client's financial situation and goals will be monitored throughout the year.

Toucan is not responsible for the actual implementation of financial planning recommendations. Client acknowledges that Client may independently elect to act or not act on the advisor's recommendations at their sole and absolute discretion.

When appropriate, we utilize the services of third-party investment advisers ("Outside Managers") to assist with the management of client accounts. We assist clients in selecting an appropriate allocation model, completing the Outside Manager's investor profile

questionnaire, interacting with the Outside Manager, and reviewing the Outside Manager. Our review process and analysis of Outside Managers is further discussed in Item 8 of this Brochure. Additionally, we will periodically meet with the client to discuss changes in their personal or financial situation, investment risk suitability, and any new or revised restrictions to be applied to the account.

Personal tax preparation and filing services are an included component of our Comprehensive Wealth Planning service to assist clients with the filing of their individual federal and state tax returns. There is no separate fee for tax preparation or tax planning services. Clients are not required to use our tax preparation service. This service is designed to meet specific objectives or long-term tax-related goals and objectives as agreed upon with the client, resulting in significant reduction of overall tax liability. We may ask for an explanation or clarification of some items, but we will not audit or otherwise verify client data. Client is responsible for the completeness and accuracy of information used to prepare their return(s). Our responsibility is to prepare the returns in accordance with applicable tax laws. We may utilize the services of third-party accounting and tax planning firm(s) to facilitate the preparation and filing of client tax returns. Client will receive a privacy policy and approve sharing of their personal information so that we may work with Client and the third-party firm(s) to gather the necessary information and prepare Client's returns as part of this service.

Preparation and filing of trust, partnership, business, and charitable foundation returns for Comprehensive Wealth Planning clients can be arranged for a separate, additional fee.

Fees pertaining to our Comprehensive Wealth Planning service are outlined in Item 5 of this brochure.

### **Project-Based Financial Planning**

In limited instances and at our sole discretion, Toucan provides project-based financial planning services on a limited scope of one-time engagement. Project-Based Financial Planning is available for clients who want to address specific questions or issues. For Project-Based Financial Planning, Client will ultimately be responsible for implementing Toucan's recommendations.

### **Retirement and Pension Plan Consulting**

Our firm provides pension plan consulting to employer plan sponsors on an ongoing basis. These services are separate from our Comprehensive Wealth Planning service. Generally, such services consist of assisting employer plan sponsors in establishing, monitoring, and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include investment options, management, plan structure, and/or participant education.

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

Certain plans and/or clients to whom we may provide services are regulated under the Employee Retirement Income Securities Act of 1974 ("ERISA"). Toucan provides employee benefit plan services to the plan sponsor and/or fiduciaries as described above for the fees set forth in Item 5 of this brochure. We are not subject to any disqualifications under Section 411 of ERISA. In performing fiduciary services, we are acting as an "investment manager" as defined in section 3(38) of ERISA pursuant to section 402(c)(3) of ERISA.

### **Educational Seminars and Speaking Engagements**

We may provide seminars for groups seeking general advice on investments and other areas of personal finance. The content of these seminars will vary depending on 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 person's need, nor does Toucan provide individualized investment advice to attendees during these seminars.

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

We tailor the delivery of our services to meet the individual needs of our clients. We consult with clients initially and on an ongoing basis through the duration of their engagement with us, to determine risk tolerance, time horizon, and other factors that may impact the client's investment and planning needs.

Clients can specify, within reason, any restrictions they would like to place as it pertains to individual securities and sectors that will be traded in their account. All such requests must be provided to Toucan in writing. Toucan will notify clients if we are unable to accommodate any requests.

**Wrap Fee Programs**

We do not participate in wrap fee programs.

**Assets Under Management**

As of December 31, 2022, Toucan has \$2,057,529 in discretionary and \$0 in non-discretionary assets under management.

## Item 5: Fees and Compensation

Please note, unless Client has received this brochure at least 48 hours before signing an Advisory Agreement, the Advisory Agreement may be terminated by the client within five (5) business days of signing the Advisory Agreement without penalty.

How we are paid depends on the type of advisory services we perform. Below is a brief description of our fees; however, you should review your executed Advisory Agreement for more detailed information regarding your exact fee. No increase to the agreed-upon advisory fees outlined in the Advisory Agreement shall occur without prior client consent. Our fee may be in excess of industry standards, and similar services are available for a lower fee.

### Comprehensive Wealth Planning Fees

The fee is based on a percentage of Client's net worth and is negotiable. Net worth serves as a transparent, objective, and reliable proxy for variables, including the specific needs of the client, complexity, estimated time, research, and resources required to provide our services, among other factors we deem relevant.

The minimum annual fee is \$8,000. New clients may be charged Toucan's minimum quarterly fee of \$2,000 while net worth is being determined. An additional one-time ("true up") fee will be charged if Client's net worth is subsequently determined to exceed \$2 million (leading their quarterly fee to exceed the \$2,000 collected). The annualized fee for Comprehensive Wealth Planning is paid quarterly in arrears. Fees are calculated by applying the appropriate fee schedule below based on Client's net worth.

Net Worth: ≤ \$40 Million (tiered)

Net Worth	Annual Advisory Fee
\$0-\$2MM	0.40%
\$2MM-\$20MM	0.20%
\$20-40MM	0.10%

Net Worth: > \$40 Million

Net Worth	Annual Advisory Fee
> \$40MM	0.16%

Client net worth is determined by mutual agreement at the onset of our relationship, after 12 months of service and bi-annually thereafter. Net Worth is defined as the sum of the following assets: cash & cash equivalents, marketable securities (including, but not limited to, trusts, qualified retirement accounts, deferred compensation, charitable, and 529 plan accounts), closely-held business interests (adjusted for the client's ownership percentage), cash/surrender value of life insurance/annuities, principal residence and other real estate, and less portfolio, deferred compensation, and/or home equity lines of credit, mortgages, loans against life insurance, other secured and unsecured notes payable, and other liabilities. When Toucan advises a client/co-client or couple, their net worth is comprised of their combined assets and liabilities.

Absent special circumstances (i.e., a vehicle collection with material value), we do not include student loans, consumer credit card debt or vehicles/vehicle loans in the calculation of net worth. The former is excluded because it does not produce an offsetting balance sheet asset and increases, rather than decreases, the scope of advisory work. Toucan excludes the latter (vehicles) due to the generally depreciating nature of these assets.

A signed Addendum to the Advisory Agreement will outline the final agreed-upon fee. The annual fee may be adjusted prior to the start of each service year upon receipt of a signed fee schedule addendum, with both parties acknowledging the updated fee.

Clients must be aware that if they have a net worth of less than \$2,000,000, and are subject to the \$8,000 annual minimum fee, the client will pay a higher percentage quarterly fee than the 0.40% referenced in the above fee schedule.

In instances in which an Outside Manager is used, the above fee schedule does not include the Outside Manager's fee.

Toucan's advisory fee may be prorated for any partial billing periods during the engagement, including the initial and terminating billing periods, as appropriate. Toucan will not bill an amount above \$500 more than six months or more before rendering the services.

Tax planning and preparation are included in our annual fee at no additional cost. The component of our fee that comprises tax planning and preparation varies and is determined based on the planning opportunities we identify, the complexity of the return, and the quality of the client's recordkeeping. Clients engaging Toucan for tax preparation must have been a client during the tax year for which the return is to be prepared.

If Toucan determines that a client's tax preparation requirements exceed our areas of expertise, we reserve the right to advise the client to seek more specialized advice (at additional cost to the client). In these instances, Toucan does not receive a referral fee of any kind. Toucan will continue to coordinate return preparation in collaboration with the aforementioned third-party tax specialist(s).

Clients are not required to utilize any third-party products or services that we may recommend, and they can receive similar services from other professionals at a similar or lower cost. If Client chooses not to avail themselves of Toucan's tax services, the client is recommended to consult with their own qualified tax professional before initiating any personal tax strategies.

### **Project-Based Financial Planning Fees**

Toucan charges either a fixed or hourly fee for Project-Based Financial Planning. Our minimum fee is \$8,000. Our hourly rate is \$400. The fee range is dependent upon variables including the specific needs of the client, complexity, estimated time, research, and resources required to provide our services, among other factors we deem relevant. Fees are negotiable, and the final agreed-upon fee will be outlined in Client's Project-Based Financial Planning Agreement.

Toucan may additionally agree:

1. To a pre-negotiated quantity of hours (a "cap"), to be exceeded only by client consent.
2. To credit accumulated fixed or hourly Project-Based Financial Planning fees towards ongoing service provided Client elects to become a Comprehensive Wealth Planning client within six months of initial engagement.

Toucan may request that a portion of Project-Based fees be collected in advance, with the remainder due upon completion. Toucan will not bill an amount above \$500 more than six months in advance of rendering services.

### **Retirement and Pension Plan Consulting Service Fees**

The fee is based on a percentage of assets under management and is negotiable. The annualized fees for retirement and pension plan consulting services are based on the following tiered fee schedule:

<b>Assets Under Management (AUM)</b>	<b>Annual Advisory Fee</b>
\$0-\$20MM	0.40%
> \$20MM	0.20%

For example, for assets under management of \$25,000,000, Client would pay 0.40% on the first \$20,000,000 and 0.20% on the remaining balance. The quarterly fee is determined by the following calculation:  $((\$20,000,000 \times 0.40\%) + (\$5,000,000 \times 0.20\%)) \times 3/12 = \$22,500$ .

The annual Retirement and Pension Plan Consulting fee is paid quarterly in arrears based on the value of Client's account(s) as of the last day of the billing period.

This does not include fees to other parties, such as record keepers, custodians, or third-party administrators. Toucan relies on the valuation as provided by Client's custodian in determining assets under management. Our advisory fee may be prorated for any partial billing periods occurring during the engagement, including the initial and terminating billing periods, as appropriate.



## **Educational Seminars and Speaking Engagement Fees**

Educational seminars and speaking engagements are offered, on request, to organizations and the public on a variety of financial topics. Fees range from \$0 to \$40,000 per seminar or \$0 to \$400 per participant. The fee range is based on the content, amount of research conducted, the number of hours of preparation needed, and the number of attendees. Toucan collects a portion of the fee to be collected in advance, with the remainder due at the conclusion of the seminar. Advisor offers its services in a virtual or in-person setting. Should the event require travel arrangements, both parties must agree to the terms of travel (i.e., cost, distance, hotel arrangements) at the start of the engagement. All travel expense reimbursement is exclusive of the seminar or engagement fee itself.

## **Fee Payment**

We deduct our advisory fee from one or more account(s) held at an unaffiliated third-party custodian, as directed by the client. Retirement and Pension Plan Consulting fees are either paid directly by the plan sponsor or deducted directly from plan assets held by a qualified custodian. Refer to Item 15 of this Brochure regarding our policy on direct fee deduction. Clients may also pay by electronic funds transfer. We use an independent third-party payment processor in which the client can securely input their banking information and pay their fee. We do not have access to the client's banking information at any time. The client will be provided with their own secure portal in order to make payments.

When an Outside Manager is used, the Outside Manager will debit the client's account for the Outside Manager's fee and, depending on the client's fee payment election regarding Toucan's advisory fees, may also debit the client's account for Toucan's advisory fee.

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

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses the client may incur. Clients may incur certain charges imposed by custodians, brokers, and third parties, such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire and electronic funds transfer fees, and additional fees and taxes on brokerage accounts and securities transactions. Mutual 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.

Clients may incur fees from third-party professionals such as accountants and attorneys that Toucan may recommend upon Client request. Such fees are separate and distinct from Toucan's advisory fees.

## **Grandfathering of Fees**

The fee schedules listed above will generally apply to all new clients contracting for advisory services with Toucan. This schedule may differ from the fee schedule in place for some existing clients, and there is no requirement that existing client's contract for services at the rates listed above. At its sole discretion, Toucan may charge a lesser advisory fee and/or reduce or waive its minimum fee.

## **Terminations and Refunds**

As a subscription-based service, agreements for Comprehensive Wealth Planning and Retirement and Pension Plan Consulting may be terminated, without penalty, upon written notice by either party. Termination will be effective as of the date a party's notification of termination is provided in writing. Prepaid but unearned fees will be refunded.

Project-based services, which include Project-Based Financial Planning and Educational Seminars and Speaking Engagements, are not an ongoing engagement; thus, upon receipt of the final fees, the advisory agreement will automatically be terminated. In the event of early termination, before the work is completed, the fee will be prorated and due according to the work completed, and any completed deliverables will be provided. A new advisory agreement must be executed if Client wishes to engage Toucan for further services.

## **Sale of Securities or Other Investment Products**

Advisor and its supervised persons do not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

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

## Item 7: Types of Clients

We provide financial planning and investment management services to individuals, high net-worth individuals, corporations, and other businesses.

We do not have a minimum account size requirement.

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

Below is a brief description of our analysis methods and primary investment strategies.

### **Methods of Analysis**

#### **Fundamental Analysis**

Fundamental analysis involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that 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.

#### **Modern Portfolio Theory (MPT)**

The underlying principles of MPT are:

- Investors are risk averse. The only acceptable risk is that which is adequately compensated by an expected return. Risk and investment return are related, and an increase in risk requires an increased expected return.
- Markets are efficient. The same market information is available to all investors at the same time. The market prices every security fairly based upon this equal availability of information.
- The composition of the portfolio is more important than the selection of any particular security. The appropriate allocation of capital among asset classes will have far more influence on long-term portfolio performance than the selection of individual securities.
- Investing for the long term (preferably longer than ten years) becomes critical to investment success because it allows the long-term characteristics of the asset classes to surface.
- Increasing portfolio diversification with lower correlated asset class positions can decrease portfolio risk. Correlation is the statistical term for the extent to which two asset classes move in tandem or in opposition to one another.

#### **Use of Outside Managers**

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 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 or she may not be able to replicate that success in the future. In

addition, 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.

## **Investment Strategies**

### *Asset Allocation*

In implementing our clients' investment strategy, we begin by attempting to identify an appropriate ratio of equities, fixed income, and cash (i.e., "asset allocation") suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry, or market sector. Another risk is that the ratio of equities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals. We attempt to closely monitor our asset allocation models and make changes periodically to keep in line with the target risk tolerance model.

### *Passive and Active Investment Management*

We may choose investment vehicles considered passive, active, or a combination of both styles.

Passive investing involves building portfolios that are composed of various distinct asset classes. The asset classes are weighted to achieve the desired relationship between correlation, risk, and return. Funds that passively capture the selected asset classes' returns 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 attempts to generate returns above the broader market or a designated benchmark. Actively managed funds may also be designed to reduce volatility and risk.

We may engage in both passive and active investing in client portfolios. However, we strive to construct portfolios that we believe have the greatest probability of achieving our client's financial goals with the least amount of volatility and risk rather than attempting to outperform an arbitrary index or benchmark.

Specific investment selections are based on several factors that we evaluate 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.

### *Socially Responsible Investing*

If Client desires, we may utilize various socially conscious investment approaches. Toucan may construct portfolios that utilize mutual funds, ETFs, or individual securities with the purpose of incorporating socially conscious principles into client portfolios. These portfolios may also be customized to reflect the personal values of each individual, family, or organization—allowing our clients to invest in ways that align with their values. Toucan may rely on mutual funds and ETFs that incorporate Environmental, Social, and Governance ("ESG") research as well as positive and negative screens related to specific business practices to determine the quality of investment on values-based merits. Additionally, Toucan may construct portfolios of individual securities in order to provide Client a greater degree of control over the socially conscious strategies they wish to employ. Toucan relies on third-party research when constructing portfolios of individual securities with socially conscious considerations.

If you request your portfolio to be invested according to socially conscious principles, Client should note that returns on investments of this type may be limited and because of this limitation Client may not be able to be as well diversified among various asset classes.

The number of publicly traded companies that meet socially conscious investment parameters is also limited, and due to this limitation, there is a greater probability of similarity or overlap of holdings, especially among socially conscious mutual funds or ETFs. Therefore, there could be a more pronounced positive or negative impact on a socially conscious portfolio, which could be more volatile than a fully diversified portfolio.

#### Long-term/Short-term purchases

We purchase securities and generally hold them in the client's account for a year or longer. Short-term purchases may be employed as appropriate when:

- We believe the securities to be currently undervalued, and/or
- We want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

#### Material Risks Involved

All investing strategies we offer involve risk and may result in losing your original investment, which you should be prepared to bear. These risks apply equally to stocks, bonds, commodities, and other assets and securities. 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 asset's value regardless of the operational success of the issuer's operations or its financial condition.

**Strategy Risk:** The investment strategies and techniques used may not work as intended.

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

**Turnover Risk:** At times, the strategy may have a higher portfolio turnover rate than other strategies. A high portfolio turnover may result in greater brokerage commission expenses and 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 (more challenging 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 reasonable or favorable prices 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 more significant risks of adverse developments in such focus areas than a more broadly diversified strategy.

**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 typically rise when interest rates fall. Generally, fixed-income securities with longer maturities are more sensitive to these price changes. Most other investments are also susceptible 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 an investment's buying power, even if the portfolio or investments' dollar value remains the same.

#### Risks Associated with Securities

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

Commercial Paper is, in most cases, an unsecured promissory note issued with a maturity of 270 days or less. 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. Slower growth or a recessionary economic environment could hurt 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 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.

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 after-tax return of municipal securities to the after-tax return of comparable investments. Investing in municipal bonds carries the same general risks as investing in bonds. Those risks include interest rate, reinvestment, inflation, market, call or redemption, credit, and liquidity and valuation risks.

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 that the underlying position may be called away at a price lower than the current market price.

Due to market conditions, certain ETFs 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 significantly above or below their net asset value (NAV); (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to significant decreases in stock prices) halts stock trading generally. Toucan has no control over the risks taken by the underlying funds in which the client invests.

When 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, clients may incur higher expenses, 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

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

### Administrative Enforcement Proceedings

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

### Self-Regulatory Organization Enforcement Proceedings

Toucan and its management persons have not been involved in legal or disciplinary events that are material to a client's or prospective client's evaluation of Toucan or the integrity of its management.

## Item 10: Other Financial Industry Activities and Affiliations

### Broker-Dealer Affiliation

Neither Toucan nor its management persons are registered or have an application pending to register as a broker-dealer or a registered broker-dealer representative.

### Other Affiliations

Neither Toucan nor its management persons are registered or have an application pending to register as a futures commission merchant, commodity pool operator, or commodity trading advisor.

### Related Parties

Neither Toucan nor its management persons have any relationship or arrangement with related parties.

### Recommendations or Selections of Other Investment Advisers

As referenced in Item 4 of this brochure, Toucan may recommend clients to Outside Managers when we determine it is appropriate for the client and their investable assets. In the event that we recommend an Outside Manager, we do not share in their advisory fee. Our fee is separate and in addition to their compensation (as noted in Item 5 of this brochure). In addition, you will be provided a copy of the Outside Manager's Form ADV 2A, Firm Brochure, which also describes the Outside Manager's fee. You are not obligated to use the services of any Outside Manager we recommend, contractually or otherwise. Moreover, Toucan will only recommend an Outside Manager who is properly licensed or registered as an investment adviser.

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

As a fiduciary, our firm has a duty to act solely in the best interests of each client. Our clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Toucan's fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. Toucan 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. Additionally, Toucan requires adherence to its Insider Trading Policy, and the CFA Institute's Asset Manager Code of Professional Conduct and Code of Ethics and Standards of Professional Conduct.

### Code of Ethics Description

This Code of Ethics does not attempt to identify all possible conflicts of interest. Compliance with each of its specific provisions will not shield our firm or its access persons from liability for misconduct that violates a fiduciary duty to our clients. A summary of the Code of Ethics Principles is outlined below.

- Integrity - Access persons shall offer and provide professional services with integrity.
- Objectivity - Access persons shall be objective in providing professional services to clients.
- Competence - Access 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 - Access 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 - Access persons shall not disclose confidential client information without the Client's specific consent unless in response to proper legal process or as required by law.
- Professionalism - Access persons' conduct in all matters shall reflect the credit of the profession.
- Diligence - Access persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to remain current. We require all firm access persons to attest to their understanding of and adherence to the Code of Ethics 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 access persons, nor 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, or principal transaction, among others.

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

Our firm, its access persons, and its related persons may buy or sell securities similar to, or different from, those we recommend to clients for their accounts. To reduce or eliminate specific conflicts of interest, our Code of Ethics may require that we restrict or prohibit access to persons' transactions in specific reportable securities. Any exceptions or trading pre-clearance must be approved by Toucan's Chief Compliance Officer in advance of the transaction in an account. Toucan maintains a copy of access persons' personal securities transactions as required.

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

From time to time, our firm, its access persons, or its related persons may buy or sell securities for themselves at or around the same time as they buy or sell securities for clients' account(s). To address this conflict, it is our policy that neither our firm nor access persons shall have priority over clients' accounts in the purchase or sale of securities.

## Item 12: Brokerage Practices

#### Factors Used to Select Broker-Dealers and Custodians

In recommending broker-dealers, we must seek the "best execution" of transactions in client accounts. The determinative factor in the analysis of best execution is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of the broker-dealer's services. The factors we consider when evaluating a broker-dealer for best execution include, without limitation, the broker-dealer's:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody);
- Capability to execute, clear, and settle trades (buy and sell securities for your account);
- Ability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.);
- The breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.);
- Availability of investment research and tools that assist in investment decision-making;
- Quality of services;
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices;
- Reputation, financial strength, security, and stability;
- Prior service to Toucan and our clients.

With this considered, our firm recommends Charles Schwab & Co., Inc. ("Schwab"), an independent and unaffiliated SEC registered broker-dealer firm and member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). Although Client may request that we use a broker-dealer of their choosing, we generally recommend that clients open brokerage accounts with Schwab. Toucan is not affiliated with Schwab. The client will ultimately determine the custodian to hold the client's investments by signing the selected broker-dealer's account opening documentation.

#### Research and Other Soft-Dollar Benefits

We do not have any soft-dollar arrangements with broker-dealers whereby soft-dollar credits, used to purchase products and services, are earned directly in proportion to the number of commissions our clients pay. However, as a result of being on their institutional platform, Toucan may benefit from specific services offered by Schwab.

Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like Toucan. They provide Toucan and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support

services are generally available on an unsolicited basis and at no charge to us. The benefits Toucan or its personnel receive do not depend on the number of brokerage transactions directed to Schwab. As part of its fiduciary duties to clients, Toucan must always put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by the Advisor, its access persons, or its related persons creates a potential conflict of interest and may indirectly influence the Advisor's choice of Schwab for custody and brokerage services. Toucan mitigates this conflict by regularly reviewing the factors used to select custodians to ensure our recommendation is appropriate.

Following is a more detailed description of Schwab's support services:

1. Services that benefit you. Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which Toucan might not otherwise have access, or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.
2. Services that may not directly benefit you. Schwab also makes other products and services available to us that may not directly benefit you or your account. These products and services help Toucan manage and administer our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to advise on or service some or all of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also offers software and other technology that:
  - Provides access to client account data (such as duplicate trade confirmations and account statements);
  - Facilitates trade execution and allocates aggregated trade orders for multiple client accounts;
  - Provides pricing and other market data;
  - Facilitates payment of our fees from client accounts;
  - Assists with back-office functions, recordkeeping, and client reporting.
3. Services that generally benefit only Toucan. Schwab offers other services to help us manage and further develop our business enterprise. These services include:
  - Educational conferences and events;
  - Consulting on technology, compliance, legal, and business needs;
  - Publications and conferences on practice management and business succession.
4. Your brokerage and custody costs. For client accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Specific trades (for example, many mutual funds and ETFs) may not incur Schwab commissions or transaction fees.

#### Brokerage for Client Referrals

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

#### Clients Directing which Broker-Dealer/Custodian to Use

Toucan recommends our client use Charles Schwab & Co., Inc. ("Schwab"). However, clients may custody their assets at custodians of their choosing. Clients may also direct us to use a specific broker-dealer to execute transactions. By allowing clients to choose a particular custodian, we may be unable to achieve the most favorable execution of client transactions. This may cost Client more than using a lower-cost custodian.

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

Investment advisers may elect to purchase or sell the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is called aggregating orders, batch trading, or block trading. Toucan does not engage in block trading. It should be noted that implementing trades on a block or aggregate basis may be less expensive for client accounts; however, it is our trading policy to implement all client orders individually. Therefore, we do not aggregate or "block" client transactions. Considering the types of investments we hold in client accounts, we do not believe clients



are hindered in any way because we trade accounts individually. This is because we develop individualized investment strategies for clients, and holdings will vary. Our strategies are primarily designed for the long term, and minor differences in price execution are not material to our overall investment strategy.

## Item 13: Review of Accounts

### Periodic Reviews

Clients who engage Toucan for investment management services will have their account(s) reviewed annually by Ian Rahilly, Founder, CEO, Chairman, and CCO. The account(s) are evaluated based on the client's investment objectives and risk tolerance levels.

### Triggers of Reviews

Events that may trigger greater scrutiny include unusual performance, addition, or removal of client-imposed restrictions, excessive draw-down, volatility in performance, and/or buy and sell decisions from the firm or per Client's needs.

### Review Reports

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

Toucan does not provide performance or holdings reports to Comprehensive Wealth Planning clients outside of what is provided directly by their custodian as part of their account statements.

## Item 14: Client Referrals and Other Compensation

### Compensation Received by Toucan Financial, Inc.

Toucan is a fee-only firm that is compensated solely by its clients. We do not receive commissions or other sales-related compensation. Except as mentioned in Item 12 above, we do not accept any economic benefit, directly or indirectly, from any third party for advice rendered to our clients.

### Client Referrals from Solicitors

Toucan does not, directly, or indirectly, compensate any person who is not advisory personnel for client referrals.

## Item 15: Custody

Toucan does not hold, directly or indirectly, client funds or securities or have any authority to obtain possession of them. A qualified custodian holds all client assets.

If Toucan deducts its advisory fee from client account(s), the following safeguards will be applied:

- i. The client will provide written authorization to Toucan, permitting us to be paid directly from the client's accounts held by the custodian.
- ii. The custodian will send at least quarterly statements to the client showing all disbursements from the accounts, including the amount of the advisory fee.

In jurisdictions where required, Toucan will send an itemized invoice to the Client at the same time it instructs the custodian to debit the advisory fee. Itemization includes the formula used to calculate the fee, the reference amounts the fee is based on, and the period covered by the fee.

Toucan urges clients to carefully review custodial statements, compare them to account invoices or reports we may provide, and notify us of any discrepancies. Clients are responsible for verifying the accuracy of these fees as listed on the custodian's brokerage statement, as the custodian does not assume this responsibility. Any invoices or reports provided by Toucan may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of securities.

## Item 16: Investment Discretion

With regard to client accounts held at Schwab, Toucan has discretionary authority and limited power of attorney to determine the securities and dollar value of securities to be bought or sold for a client's account without having to obtain prior Client approval for each transaction. At the start of the advisory relationship, Client executes a Limited Power of Attorney, which grants our firm discretion over any account(s) Client opens or maintains at Schwab. Additionally, this discretionary relationship is outlined in Toucan's advisory agreements. Clients may limit our discretion by requesting certain restrictions on investments. However, approval of such requests is at Toucan's sole discretion.

If Toucan has engaged an Outside Manager to assist with the management of Client's portfolio, Toucan has the discretion to direct the Outside Manager to buy or sell securities for client portfolios without obtaining prior client approval for each transaction.

## Item 17: Voting Client Securities

Toucan does 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, clients receive proxy materials directly from their account custodian(s). However, if Toucan receives proxy materials intended for a client, we will forward them to clients by email or mail.

## Item 18: Financial Information

We have no financial commitment that impairs our ability to meet contractual and fiduciary obligations to our clients, nor have we been the subject of any bankruptcy proceeding. We do not have custody of client funds or securities, except as disclosed in Item 15 above, or require or solicit prepayment of more than \$500 in fees six months or more before rendering services.

## Item 19: Requirements for State-Registered Advisers

### Principal Officers

Ian Rahilly serves as Toucan's sole principal. Ian Rahilly's education, business background, and outside business activities can be found in Toucan's ADV Part 2B, Brochure Supplement, attached to this Brochure.

### Outside Business

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

### Performance-Based Fees

Neither Toucan nor Ian Rahilly is compensated by performance-based fees.

### Material Disciplinary Disclosures

No management person at Toucan has ever been involved in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding.

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

Neither Toucan nor Ian Rahilly has any relationship or arrangement with issuers of securities.

# Toucan Financial

Toucan Financial, Inc.

2030 Peppercorn Ln  
Charlotte, NC 28205  
(980) 999-2625

[toucan.fi](http://toucan.fi)

Form ADV Part 2B – Brochure Supplement

Dated August 31, 2023

For

Ian Rahilly, CFA, CFP®

Founder, CEO, Chairman, and Chief Compliance Officer

This brochure supplement provides information about Ian Rahilly that supplements the Toucan Financial, Inc. (“Toucan”) brochure. A copy of that brochure precedes this supplement. Please contact Ian Rahilly if the Toucan brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Ian Rahilly 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 6547275.

## Item 2: Educational Background and Business Experience

Ian Rahilly

Born: 1985

### Educational Background

- 2015 – Master of Business Administration, Columbia Business School New York, NY
- 2007 – Bachelor of Arts, Public Policy & Law, Trinity College Hartford, CT

### Business Experience

- 08/2022 – Present, Toucan Financial, Inc., Founder, CEO, Chairman, and CCO Charlotte, NC
- 06/2021 – 08/2022, Bank of America, Financial Advisor New York, NY
- 06/2021 – 06/2022, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Financial Advisor New York, NY
- 08/2015 – 06/2021, J.P. Morgan Chase Bank, Vice President New York, NY
- 08/2013 – 05/2015, Columbia Business School, Full-Time Student New York, NY
- 02/2013 – 08/2013, Unemployed
- 02/2010 – 02/2013, RBC Capital Markets, Associate Global Equities Management Toronto, ON

### Professional Designation(s)

Chartered Financial Analyst (CFA): The CFA Program is a graduate-level self-study program that combines a broad-based curriculum of investment principles with professional conduct requirements. It is designed to prepare charter holders worldwide for a wide range of investment specialties. To earn a CFA charter, applicants study for three exams (Levels I, II, III) using an assigned curriculum. Upon passing all three exams and meeting the professional and ethical requirements, they are awarded a charter.

CERTIFIED FINANCIAL PLANNER™ (CFP®): Ian Rahilly is certified for financial planning services in the United States by the Certified Financial Planner Board of Standards, Inc. (“CFP Board”). Therefore, he may refer to himself as a CERTIFIED FINANCIAL PLANNER™ professional or a CFP® professional and may use these and CFP Board’s other certification marks (the “CFP Board Certification Marks”). The CFP® certification is voluntary. No federal or state law or regulation requires financial planners to hold the CFP® certification. You may find more information about the CFP® certification at [www.CFP.net](http://www.CFP.net). CFP® professionals have met CFP Board’s high standards for education, examination, experience, and ethics. To become a CFP® professional, an individual must fulfill the following requirements:

- Education: Earn a bachelor’s degree or higher from an accredited college or university and complete CFP Board-approved coursework at a college or university through a CFP Board Registered Program. The coursework covers the financial planning subject areas CFP Board has determined are necessary for the competent and professional delivery of financial planning services and a comprehensive financial plan development capstone course. A candidate may satisfy some of the coursework requirements through other qualifying credentials. CFP Board implemented the bachelor’s degree or higher requirement in 2007 and the financial planning development capstone course requirement in March 2012. Therefore, a CFP® professional who first became certified before those dates may not have earned a bachelor’s or higher degree or completed a financial planning development capstone course.
- Examination: Pass the comprehensive CFP® Certification Examination. The examination is designed to assess an individual’s ability to integrate and apply a broad base of financial planning knowledge in the context of real-life financial planning situations.
- Experience: Complete 6,000 hours of professional experience related to the personal financial planning process or 4,000 hours of apprenticeship experience that meets additional requirements.
- Ethics: Satisfy the Fitness Standards for Candidates for CFP® Certification and Former CFP® Professionals Seeking Reinstatement and agree to be bound by CFP Board’s Code of Ethics and Standards of Conduct (“Code and Standards”), which sets forth the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements to remain certified and maintain the right to continue to use the CFP Board Certification Marks:

- Ethics: Commit to complying with CFP Board's Code and Standards. This includes a commitment to CFP Board, as part of the certification, to act as a fiduciary, and therefore, act in the best interests of the client, at all times when providing financial advice and financial planning. CFP Board may sanction a CFP® professional who does not abide by this commitment, but CFP Board does not guarantee a CFP® professional's services. A client who seeks a similar commitment should obtain a written engagement that includes a fiduciary obligation to the client.
- Continuing Education: Complete 30 hours of continuing education every two years to maintain competence, demonstrate specified levels of knowledge, skills, and abilities, and keep up with developments in financial planning. Two of the hours must address the Code and Standards.

### Item 3: Disciplinary Information

Ian Rahilly has never been involved in an arbitration claim or been found liable in a civil, self-regulatory organization or administrative proceeding.

### Item 4: Other Business Activities

Ian Rahilly is not involved with outside business activities.

### Item 5: Additional Compensation

Ian Rahilly does not receive any economic benefit from any person, company, or organization in exchange for providing clients advisory services through Toucan Financial, Inc.

### Item 6: Supervision

Ian Rahilly, as Chief Compliance Officer of Toucan Financial, Inc., supervises the advisory activities of our firm. Ian Rahilly is bound by the firm's policies, procedures, and Code of Ethics. Clients may contact Ian Rahilly at the phone number on this brochure supplement.

### Item 7: Requirements for State Registered Advisers

Ian Rahilly has not been involved in an arbitration, civil, self-regulatory, administrative, or bankruptcy petition.