

Sherbo Enterprises, LLC

A Colorado Registered Investment Adviser



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Form ADV Part 2A and 2B

January 1, 2023

This brochure provides information about the qualifications and business practices of Sherbo Enterprises, LLC. If you have any questions about the contents of this brochure, please contact me at (719) 651-1749 or asherbo@du.edu. 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. The term “Registered Investment Adviser” does not imply a certain level of skill or training.

Additional information about Sherbo Enterprises, LLC is also available on the SEC’s website at www.adviserinfo.sec.gov. IARD 157731.

Website:

www.sherboent.com



CERTIFIED FINANCIAL PLANNER™



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Material Changes

There are no Material Changes in this Document from Initial Filing dated January 1, 2013.
Please note new phone number for contact.

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Part 2A: Brochure

Section 1: Advisory Business

Introduction

Sherbo Enterprises, LLC (the "Firm") is a Colorado-domiciled registered investment adviser that provides fee-only financial planning, education, and investment consultation services. The Firm holds itself to a *fiduciary standard*, which means the Firm and its associates will act in the utmost good faith and performing in a manner believed to be in the best interest of its Clients. The Firm does not hold any Client assets under management. The Firm offers only advice to Clients.

In addition to the Firm's registration as an investment adviser in Colorado, the Firm and its associated personnel may register or meet certain exemptions to registration in other states in which they conduct business. Andrew J. Sherbo, Ph.D., CFP® (noted in the accompanying Part 2B) is the sole owner of the Limited Liability Company.

Financial Planning and Investment Consultation Services

A complimentary interview is conducted by a qualified representative of the Firm to determine the scope of services to be provided. Prior to entering a written agreement, the Firm's ADV Part 2 brochure which incorporates its Privacy Policy will be given to the Client.

Should the Client wish to engage Sherbo Enterprises, LLC for its services, parties must enter into a written agreement, with further discussion and analysis conducted thereafter to ascertain financial need, goals, holdings, etc., as provided by the Client. The Firm provides financial planning and investment consultation services relating to various components which may be either broad-based or modular as the Client may desire.

Advice may be provided on such subjects as, but not limited to, the following topics:

- 1) Cash flow analysis
- 2) Retirement capital needs
- 3) Education funding
- 4) Estate planning
- 5) Asset allocation/security selection
- 6) Analysis of insurance alternatives
- 7) Tax planning and analysis
- 8) Personal Budgeting
- 9) Financial Statements
- 10) Risk-adjusted analysis of returns
- 11) Management of debt and credit
- 12) Other financial services as agreed to by the Client and Firm

Investment consultation may involve educating the Client in the types of investment vehicles available; investment analysis and strategies, asset selection, as well as assisting the Client in establishing their own investment account at their selected broker/dealer or custodian. The Firm

typically utilizes a long term investment perspective, unless specifically requested to the contrary by the Client.

The Client retains absolute discretion over all implementation decisions and is free to accept or reject any recommendation made by the Firm. Moreover, it remains each Client's responsibility to promptly notify Sherbo Enterprises, LLC if there is a material change in their financial situation or investment objectives for the purpose of evaluating or revising the Firm's recommendations or services.

Income Tax Preparation

In limited situations the Firm may be engaged for the preparation of federal and state income tax returns at the Client's request. Combining personal income tax return preparation with financial planning may assist Clients with a thorough, coordinated understanding of their finances.

Workshop Presentations

Appropriately trained and registered Firm personnel may provide educational sessions and/or workshops on an "as announced" basis for groups desiring general advice on investments and personal finance. Topics may include issues related to wealth management, financial planning, retirement strategies, or various other economic and investment topics.

Such workshops or programs are purely educational in nature and do not involve the sale of any investment products. Information presented will not be based on any one person's need, nor does the Firm provide individualized investment advice to attendees during these sessions.

Firm Services

The Firm will use its best judgment and good faith effort in rendering its services to its Clients. Sherbo Enterprises, LLC cannot warrant or guarantee any particular level of account performance, or that account will be profitable over time. Past performance is not necessarily indicative of future results.

Section 2: Fees and Compensation

Hourly Services

Fees for the Firm's services involving financial planning, investment consultation, and income tax preparation are assessed on an hourly basis. The Firm's current hourly rate is a range of \$125 - \$225 depending on the complexity of the plan to be developed or service to be provided. Services are billed in 30-minute increments, and a partial increment will be treated as a whole.

Services to be provided and the estimated fee range will be detailed in the written engagement agreement. Invoices are due upon delivery and fees are due upon completion of the project or the completion of a Workshop presentation.

Fees for these services are negotiable at the discretion of the Firm principal and comparable services may be provided elsewhere for a lower fee.

The Firm may impose a Workshop Fee for certain Session(s). In the event there is a charge to the Workshop Attendees, the fee will be published in the Session announcement or invitation, or may be paid by the engagement Sponsor. Fees for these events are typically a flat-rate amount based on the Firm's hourly fee and is due at the time of the presentation.

Travel

Any travel expenses will be billed separately to the Client and are not part of the hourly rate. Appropriate documentation will be included to include receipts, etc.

No-Load Products

Specific product recommendations made by the Firm will usually be for "no-load" (i.e., no commission) products, if available. In some cases, such as with insurance products, there may not be a suitable selection of no-load products available for recommendation. However, neither the Firm nor its associates will be paid a commission on the purchase.

Any transactional or custodial fees assessed by the selected broker/dealer or custodian (collectively, "service providers") and/or individual retirement account or qualified retirement plan account termination fees are borne by the Client. Fees paid to the Firm for its services are separate from any charges the Client may pay for mutual funds, ETFs or other investments of this type. The Firm does not receive "trailer" or SEC Rule 12b-1 fees from any investment company. Fees charged by these issuers are detailed in prospectuses or product descriptions and Clients are encouraged to read these documents before investing. The Firm and its associates receive none of these described or similar fees or charges.

Termination of Services

Either party may terminate the agreement at any time, which will typically be in writing. Should the Client verbally notify Sherbo Enterprises, LLC of the termination and, if in two business days following this notification the Firm has not received notice in writing; the Firm will make written notice of such termination in its records and will send its own termination notice to the Client as a substitute.

A new Client may terminate an agreement with the Firm within five (5) business days after the signing of the services agreement without penalty or charge. Any hours worked up to termination will be due the Firm.

Section 3: Performance-Based Fees and Side-by-Side Management

The Firm accepts no Performance-Based fees.

Section 4: Types of Clients

The Firm provides its services to individual investors, trusts, estates, foundations, pension and profit sharing plans, and businesses of various scales. Clients are expected to provide an adequate

level of information and supporting documentation to the Firm throughout the engagement. This allows the Firm to determine the appropriateness of its financial planning or investment strategy for the Client or their account; source of funds, or income levels, Client or legal agent's authority to act on behalf of the account, among others.

The Firm does not require minimum income levels or dollar-value of assets for its services. The Firm reserves the right to waive certain fees based on unique individual circumstances, special arrangements, pre-existing relationships or as otherwise may be determined by the Firm principal. The Firm also reserves the right to decline services to any prospective Client for any reason.

Section 5: Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

If the Firm is engaged to provide investment consultation, the Client's current financial situation, needs, objectives and tolerance for risk are initially evaluated. Asset allocation and investment decisions are made and discussed with the Client to, in the adviser's best judgment meet the Client's objectives while minimizing risk exposure.

The Firm employs fundamental analysis which involves using data to evaluate a security's intrinsic value (e.g., Willing to Pay). For example, fundamental analysis of a bond's value could involve evaluating economic factors including interest rates, the current state of the economy, and information about the bond issuer's credit ratings. Fundamental analysis of a stock takes into account revenues, earnings, future growth, return on equity, profit margins and other data to evaluate a company's value and its potential for future growth.

The Firm also employs technical analysis which involves such analysis as trends in security prices, volume of trading; moving averages, etc., to determine if certain buy or sell opportunities exist. Behavior Analysis is also used as necessary.

Research may be drawn from sources including: financial publications; investment analysis and reporting software; inspections of corporate activities; research materials from outside sources; corporate rating services; annual reports, prospectuses and other regulatory filings; company press releases.

Investment Strategies

The Firm's recommendation to the Client will seek to pursue the best strategy given the Client's risk/return tradeoffs. Sherbo Enterprises, LLC believes a combination of fundamental, technical, and behavioral analysis offer the Client both a comprehensive and objective assessment of a security and the investment decision.

For those Clients who believe all markets are "efficient" and upon their request, the Firm will design portfolios consisting entirely of passive investments. Conversely, for those Clients who believe it is possible to select active managers who can consistently outperform their benchmark, the Firm may build a portfolio comprised mostly of active funds, ETFs or individual securities. In limited circumstances and upon request, the Firm will engage in shorter-term investment

strategies.

Portfolios may also include a broader range of existing mutual fund positions, ETFs, individual securities, derivatives, and non-correlating asset classes. Individual securities may include common or preferred stocks, bond debentures, U.S. Government issues, notes, commercial paper, etc. Derivatives typically refer to options, futures and swaps that may be used to hedge risk or to exchange a floating rate of return for fixed rate of return. Non-correlating assets also include commodities, managed futures funds, private equity and real estate that may be employed to enhance the diversity of a portfolio; typically acting as a counterbalance should investments within a portfolio of stocks and bonds fall in value. This is not an all-inclusive list. *The primary criterion for the Firm's recommendation of an investment is diversification.*

Risk of Loss

While the Firm believes its strategies and investment selection is designed to potentially produce the highest possible return for a given level of risk, it cannot warrant or guarantee that an investment objective or planning goal will be achieved. Some investment decisions made may result in loss, which may include the original principal invested. The Client must be able to bear the various risks involved in the investment of account assets, which may include market; currency, interest rate, liquidity, operational or political risk, among others.

When the Firm's research and analyses is based upon commercially available software, rating services, general market and financial information, or due diligence reviews, the Firm is relying upon the accuracy and validity of the information or capabilities being provided by selected vendors, rating services, market data, and the issuers themselves. The Firm makes every effort to determine the accuracy of the information received but it cannot foretell events or actions taken or not taken, or the validity of all information it has researched or provided which may or may not affect the advice to or investment management of a Client account or financial plan.

Section 6: Disciplinary Information

Sherbo Enterprises, LLC has not been subject of a reportable legal or disciplinary event pursuant the Investment Advisers Act of 1940 (as amended) or similar state statute. Any individual reportable violations or disciplinary actions are described in the accompanying ADV Part 2B: Brochure Supplement.

Section 7: Other Financial Industry Activities and Affiliations

Neither the Firm nor its associated persons are affiliated with or maintain a material relationship or arrangement with another financial industry entity. The Firm's policies require it and its personnel to conduct business activities in a manner that avoid actual or potential conflicts of interest between the Firm, employees and Clients, or that may otherwise be contrary to law. The Firm will provide disclosure to its Client prior to and throughout the term of an engagement of any conflicts of interest which will or may reasonably compromise its impartiality or independence.

Investment adviser representatives of the Firm may hold individual membership or serve on boards or committees of professional industry associations such as the Financial Planning

Association (FPA); National Association of Personal Financial Advisors (NAPFA), or the Certified Financial Planner Board of Standards, Inc. Generally, participation in any of these entities require membership fees to be paid, adherence to ethical guidelines, as well as in meeting experiential and educational requirements.

The Firm may perform tax preparation and analysis services to the Client. Any such potential sources of conflict will be mitigated by always acting in the best interests of the Client. Refer also to Section 8. The Firm has policies and procedures in place, as noted here, to address and mitigate any conflict of interest of being a tax preparer.

Section 8: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

The Firm adheres to the same Code of Ethics of the Certified Financial Planner Board of Standards and Code of Ethics. These principles include:

Principle 1 - Integrity

An adviser will provide professional services with integrity. Integrity demands honesty and candor which must not be subordinated to personal gain and advantage. Advisers are placed by Clients in positions of trust by Clients, and the ultimate source of that trust is the adviser's personal integrity.

Allowance can be made for innocent error and legitimate differences of opinion; but integrity cannot co-exist with deceit or subordination of *one's* principles.

Principle 2 - Objectivity

An adviser will provide professional services objectively. Objectivity requires intellectual honesty and impartiality. Regardless of the particular service rendered or the capacity in which an adviser functions, an adviser should protect the integrity of their work, maintain objectivity and avoid subordination of their judgment.

Principle 3 - Competence

Advisers will maintain the necessary knowledge and skill to provide professional services competently.

Competence means attaining and maintaining an adequate level of knowledge and skill, and applies that knowledge effectively in providing services to Clients. Competence also includes the wisdom to recognize the limitations of that knowledge and when consultation with other professionals is appropriate or referral to other professionals necessary. Advisers make a continuing commitment to learning and professional improvement.

Principle 4- Fairness

Advisers will be fair and reasonable in all professional relationships. Fairness requires

impartiality, intellectual honesty and disclosure of material conflict(s) of interest. It involves a subordination of one's own feelings, prejudices and desires so as to achieve a proper balance of conflicting interests.

Fairness is treating others in the same fashion that you would want to be treated and is an essential trait of any professional.

Principle 5- Confidentiality

Advisers will protect the confidentiality of all Client information. Confidentiality means ensuring that information is accessible only to those authorized to have access. A relationship of trust and confidence with the Client can only be built upon the understanding that the Client's information will remain confidential.

Principle 6- Professionalism

Advisers will act in a manner that demonstrates exemplary professional conduct. Professionalism requires behaving with dignity and courtesy to all who use their services, fellow professionals, and those in related professions. Advisers cooperate with fellow advisers to enhance and maintain the profession's public image and improve the quality of services.

Principle 7- Diligence

Advisers will provide professional services diligently. Diligence is the provision of services in a reasonably prompt and thorough manner, including the proper planning for, and supervision of, the rendering of professional services.

All material conflicts of interest disclosed in this document will be provided to Clients prior to and throughout the term of an engagement that will or may reasonably compromise the Firm's impartiality or independence.

The Firm periodically reviews and amends its Code of Ethics to ensure currency, and all Firm access persons are required no less than annually to attest to their understanding and adherence.

Sherbo Enterprises, LLC will provide a copy of its Code of Ethics to any Client or prospective Client upon request.

Privacy Policy Statement

The Firm collects non-public personal financial information about its Clients from the following sources:

- Information Clients or their legal agent provide to complete the engagement;
- Information Clients provide in agreements and Client-Firm documents;
- Information Clients provide orally; and
- Information received from third parties, such as banks or custodians, about transactions.

The Firm does not disclose non-public personal information about its Clients to anyone, except in the following circumstances:

- When required to provide services Clients have requested;
- When Clients specifically authorize the Firm to do so in writing; or
- When permitted or required by law.

To ensure security and confidentiality, the Firm maintains physical, electronic, and procedural safeguards to protect the privacy of its Clients. Firm employees are required to exercise diligence and due care in maintaining and protecting Client non-public personal information, must be thoroughly familiar with the Firm's privacy policies, and must immediately report any known or suspected privacy breach.

Identifiable information about the Client or prospective Client will be maintained during the span of the engagement, and for the period thereafter as required by privacy laws. After that time, information may be destroyed.

The Firm will notify its Clients annually of its privacy policy and at any time, in advance, if its privacy policy is expected to change.

Participation or Interest in Client Transactions

Neither the Firm nor any related person are authorized to recommend to a Client, or effect a transaction for a Client, involving any security in which the Firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

Additionally, employees are prohibited from taking or providing a loan from a Client unless it is an approved financial institution or the natural person is an immediate family member.

Since the Firm offers its Clients financial planning and investment consulting services, a potential conflict of interest may exist. Therefore, the Client is under no obligation to act upon a Firm recommendation. If the Client elects to act on any of the Firm's recommendations, they are executed by the Client.

The Firm recognizes that should it act as the adviser to the sponsor of an ERISA-qualified retirement plan (i.e., 401(k) or pension plan) and one of its investment adviser representatives serves in an advisory capacity to one or more of the plan's participants, a conflict of interest occurs. The Firm may require its employee to cease in this plan participant advisory capacity *or*, upon disclosure to and approval from the plan sponsor, allow the dual advisory role to continue and with consideration made to offset participant fees.

Section 9: Brokerage Practices

Sherbo Enterprises, LLC is not affiliated with any bank, custodian, or broker-dealer Firm. When engaged to provide investment consultation, the Firm will offer to use the service provider with whom the prospective Client's assets are currently maintained. The Firm may buy and sell Securities it recommends to the Client. This represents a conflict of interest which is mitigated by the Firm always acting in the best interests of the Client and applying the Code of Ethics in Section 8. The Firm may also recommend certain Broker-Dealers to the Client after proper research. The

Firm is not affiliated with any Broker-Dealers.

Client Referrals

All compensation paid to the Firm is paid directly by the Client and so the Firm does not receive any additional compensation when its Clients engage a recommended custodian or other service provider.

Section 10: Review of Accounts

Periodic financial check-ups or reviews are recommended for those Clients receiving incidental financial planning and investment consultation services; and it is the Client's responsibility to initiate these reviews.

Additional reviews may be triggered by news or research related to a specific holding, a change in the Firm's view of the investment merits of a holding, or news related to the macroeconomic climate affecting a sector or holding within that sector.

Accounts may also be reviewed when being considered for an additional holding or an increase in a current position. Account cash levels above that deemed appropriate for the investment environment, given the Client's stated tolerance for risk and investment objectives, may also trigger a review.

Section 11: Client Referrals and Other Compensation

The Firm does not currently engage in solicitation activities as defined by Rule 206(4)-3 of the Investment Advisors Act of 1940, or similar state statute, nor does it pay a direct or indirect fee for referrals.

Section 12: Custody

The Client is solely responsible for the custody of all Client assets. The Firm has no custodial responsibilities.

Section 13: Investment Discretion

The Firm has no discretionary authority to manage the securities of any Client.

Section 14: Voting Client Securities

The Firm accepts no authority to vote the securities of any Client. In certain circumstances, Clients will receive proxies, and can discuss with the Firm any questions regarding such proxies.

Section 15: Financial Information

The Firm does not require or solicit prepayment of more than \$500 in fees per Client, six months or more in advance. Thus, no further material financial information is provided.

Section 16: Requirements for State-Registered Advisers

Principal Executive Officer, Place of Business, Formal Education and Background

Andrew J. Sherbo, Ph.D., CFP®
President and Chief Executive Officer
Sherbo Enterprises, LLC
3750 Birdie Court
Colorado Springs, Colorado 80922-3063

B.A., Public Administration, Drake University
M.P.A., Finance, University of Georgia
Ph.D., Public Policy Analysis and Administration, Saint Louis University
Certified Financial Planner, CFP®

Forty-six (46) years of financial management in both the public and private sectors.

Other Businesses and Time Allocated

- Teaching Professor of Finance, Daniels College of Business, University of Denver
 - About 40 hours per week

End Part 2A: Brochure

Part 2B: Brochure Supplement

This brochure supplement provides information about Andrew J. Sherbo that supplements the Sherbo Enterprises, LLC brochure. You should have received a copy of that brochure. Please contact Andrew J. Sherbo at (719) 651-1749 if you did not receive the Sherbo Enterprises, LLC brochure or if you have questions about the content of this supplement.

Additional information about Andrew J. Sherbo is available on the SEC's website at www.adviserinfo.sec.gov

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Individual CRD #5920503

Section 1: Educational Background and Business Experience

Andy Sherbo has 48 years of experience in financial management, cost/economic analysis, and accounting. He was previously the Director of the Science Applications International Corporation (SAIC) Center for Cost and Financial Analysis and the SAIC Center for Nonprofit Financial Management and Analysis. SAIC is a Fortune® 500 corporation. He previously served as the Chief Financial Officer (CFO) of the Pacific Air Forces, culminating a career of 26 years of active duty in the United States Air Force. While in the Air Force he served in numerous positions within the Air Force financial management community at Headquarters, United States Air Force, Pentagon, Washington DC, four Major Command assignments, and numerous base level assignments, including squadron commander.

As the CFO of the Pacific Air Forces, he was responsible for a budget and payroll of approximately \$3.5 billion per year, which would rank the Pacific Air Forces as a Fortune 500® corporation. He was also responsible for all base level financial operations throughout Pacific Air Forces. During his career, he served as an Assistant Professor of Economics and Finance at the United States Military Academy, West Point, New York. In addition, he served as Associate Deputy Assistant Secretary of the Air Force for Cost and Economics, Headquarters, United States Air Force.

He has over 200 classes of teaching experience over the last 45 years at the undergraduate, master's, and Ph.D. levels in economics, corporate finance, public finance, international finance, capital planning/budgeting, cost-benefit analysis, managerial accounting, nonprofit financial management, statistics, investments, and taxation. He has served on twenty three Dissertation Committees as either the Chairperson or Committee Member and as an Advisor for sixteen Graduate Level Public Policy Memorandums. Andy is currently a Teaching Professor of Finance in the Daniels College of Business at the University of Denver. He is also a Certified Financial Planner (CFP®).

Andy Sherbo earned a Bachelor of Arts degree in Public Administration from Drake University, a Master of Public Administration degree in Finance from the University of Georgia and a Ph.D. in Public Policy Analysis & Administration majoring in Fiscal Policy/Finance from Saint Louis

University. He was born in Des Moines, Iowa in 1950.

Section 2: Disciplinary Information

None.

Section 3: Other Business Activities

Other Businesses and Time Allocated

- Teaching Professor of Finance, Daniels College of Business, University of Denver
 - About 40 hours per week
- Tax Preparer
 - Depends on the number and complexity of Tax Returns

Section 4: Additional Compensation

- Tax Preparer

Section 5: Supervision

Andrew J. Sherbo is the only employer and employee in Sherbo Enterprises, LLC (Firm). Policies and procedures are in place as noted here to maintain adherence to applicable rules and statutes that the Firm is subject to at all times.

Section 6: Requirements for State-Registered Advisers

Andrew J. Sherbo has not been found liable in an arbitration claim involving any amount of money for any reason, has not been found liable in any civil, self-regulatory organization, or administrative proceeding of any kind, nor has he been the subject of a bankruptcy petition.

End Part 2B: Brochure Supplement