

**Item 1 – Cover Page**



**Registered Investment Advisor**

September 23, 2016  
19925 Stevens Creek Blvd.  
Suite 100  
Cupertino, CA 95014

5200 SW Meadows Road  
Suite 150  
Lake Oswego, OR 97035

Contact Information:

Joseph Alfonso, Founder and Principal  
Investment Adviser Representative  
Phone/Fax: (408) 689-8211  
(503) 290-1089  
Email: [Joe@aegisadvisory.com](mailto:Joe@aegisadvisory.com)  
Website: <http://www.aegisadvisory.com>

This Brochure provides information about the qualifications and business practices of Aegis Financial Advisory, LLC ("AFA"). If you have any questions about the contents of this Brochure, please contact us at either (408) 689-8211 or (503) 290-1089 or by email to: [joe@aegisadvisory.com](mailto:joe@aegisadvisory.com). 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.

AFA is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about AFA also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

The following reflect changes to our last updated Brochure of January 4, 2016:

**Item 11, Code of Ethics, Page 12:** The Advisor has subscribed to be registered as an Affirmed Advisor in the Institute for the Fiduciary Standard Advisor Affirmation Program.

Currently, our Brochure may be requested by contacting Joseph Alfonso, Founder and Principal, at either (408) 689-8211 or (503) 290-1089 or via e-mail to [joe@aegisadvisory.com](mailto:joe@aegisadvisory.com). An electronic copy is also available for download from <http://www.aegisadvisory.com/resources>

Additional information about AFA is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with AFA who are registered, or are required to be registered, as investment adviser representatives of AFA.

**Item 3 -Table of Contents**

Item 1 – Cover Page..... 1  
Item 2 – Material Changes..... 2  
Item 3 -Table of Contents ..... 3  
Item 4 – Advisory Business ..... 4  
Item 5 – Fees and Compensation..... 6  
Item 6 – Performance-Based Fees and Side-By-Side Management..... 8  
Item 7 – Types of Clients..... 8  
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss..... 8  
Item 9 – Disciplinary Information..... 9  
Item 10 – Other Financial Industry Activities and Affiliations..... 10  
Item 11 – Code of Ethics ..... 10  
Item 12 – Brokerage Practices ..... 13  
Item 13 – Review of Accounts ..... 13  
Item 14 – Client Referrals and Other Compensation ..... 13  
Item 15 – Custody ..... 13  
Item 16 – Investment Discretion..... 13  
Item 17 – Voting Client Securities ..... 14  
Item 18 – Financial Information..... 14  
Item 19 – Requirements for State-Registered Advisers ..... 14

#### **Item 4 – Advisory Business**

AFA was established in 2006 and its founder and principal owner is Joseph Alfonso.

AFA provides comprehensive, fee-only financial planning services to individuals at all stages of the financial planning cycle. AFA specializes in working with pre-retiree couples to develop a retirement income strategy for supporting their desired lifestyle in retirement. AFA strives to meet the specific challenges current and near retirees face in making a successful transition to, and remaining secure in, retirement by leveraging its Social Security and retirement income planning expertise. In addition, AFA's background as an IRS Enrolled Agent and certified tax professional allow it to perform "tax aware" retirement planning whose goal is to minimize the taxation of retirement account distributions and Social Security benefits, thereby maximizing net retirement income.

The firm distinguishes itself from traditional investment advisory firms by providing services to meet client's comprehensive planning needs, in addition to providing investment management services. All services are tailored to the particular objectives of the client. These services include the following:

- 1. Portfolio Analysis:** Determining if present investments are appropriate for risk tolerance, tax bracket, long term goals and investment time horizon.
- 2. Asset Allocation:** A personalized asset allocation will be developed based upon the client's needs and objectives. Clients will be taught how to balance investments to hedge against inflation and unpredictable economic and market cycles. Diversification will be stressed to enable the client to reduce portfolio risk while enhancing returns. Clients do not have the option of restricting investments to particular assets or asset classes given the advisor's belief that doing so minimizes diversification and adds unnecessary volatility.
- 3. Commission - Free Investing:** No-load, low expense mutual funds will be analyzed and specific recommendations made. The client will have the option of self-directing the purchase of these funds or investing through outside portfolio managers recommended by AFA.
- 4. Tax Planning and Preparation:** Personal income tax returns will be prepared. In addition, clients will be provided with year- round professional advice on minimizing taxes.
- 5. Financial Planning:** The client will be guided in setting attainable goals for the near term and for the future.
- 6. Retirement Planning:** The client will be assisted in determining when he/she wishes to retire and how much money is needed to meet his/her goals. The client will also learn how to adjust savings and spending now to reach goals. For clients nearing retirement, AFA will develop a retirement income strategy to meet the client's retirement income needs while minimizing the danger of exhausting assets

prematurely. This plan will be constantly monitored throughout retirement and adjusted as needed based on client income need, portfolio performance and inflation trends. AFA is an expert in Social Security planning and will conduct a detailed Social Security claiming analysis as a key element of the retirement planning process.

**7. Risk Review:** Working as a team with licensed insurance professionals, a client's insurance needs will be reviewed and the client will be advised regarding his/her risk management needs. Any unnecessary coverage(s) will be identified and recommended for cancellation.

**8. Estate Planning:** The client will be guided through the process of deciding how he/she wants survivors cared for and assets divided. Emphasis is on personal goals and objectives as well as probate avoidance and minimizing estate taxes.

**9. Special Needs:** Other areas such as education planning, budgeting, debt reduction, home purchase analysis, charitable giving, and qualified plan/IRA roll-overs will be addressed as appropriate.

**10. Retirement Plan Consulting:**

In addition to providing comprehensive, fee-only financial planning services to individuals, AFA also provides retirement plan consulting services.

Retirement plan consulting services are provided to 401k retirement plan sponsors ("Sponsor") based upon an analysis of the needs of the plan. In general, these services include an existing plan review, assisting the Sponsor in fund selection and investment options, plan performance monitoring and ongoing consulting. Additionally, AFA will offer the Sponsor assistance in establishing a relationship with service providers, including a third party administrator, record keeper, custodian and ERISA Section (3) (38) investment manager. AFA will also provide communication and education services/seminars to provide meaningful information regarding the retirement plan to its participants. Information provided to participants in educational seminars will be limited to general, impersonal advice. Plan participants who wish to engage AFA for individualized financial planning outside the scope of the qualified plan may do so by executing a separate agreement, including separate fees and fee payment arrangements.

The terms regarding payment of fees and termination will be set forth in the agreement executed between AFA and the Sponsor. AFA will not receive additional compensation beyond the consulting fees for its retirement plan consulting services. The retirement plan consulting fees do not include other administrative or custodial fees. All accounts are regulated under ERISA. AFA will provide consulting services to the Sponsor and the Participants as described above. The named Sponsor must make the ultimate decision as to retaining AFA for retirement plan consulting services. The Sponsor is free to seek independent advice about the appropriateness of any recommended services for the plan.

## Item 5 – Fees and Compensation

- **Open Retainer:** Includes the full array of services outlined above plus ongoing availability for additional advice as needed.
- **Financial Review:** One-time fee for a two-hour review of three financial planning topics of interest to the client.
- **Social Security Planning Review:** One-time review of a client’s Social Security claiming options and an assessment of optimal strategies.
- **Retirement Plan Consulting:** Retirement plan consulting and advisory services for 401k plan providers.

Fee Structures for the aforementioned services are as follows:

➤ **Open Retainer:** We charge a flat annual fee based on the following schedule:

<u>Total Net Worth*</u>	<u>Quarterly</u>	<u>Annual Fee</u>
Under \$1M	\$1,000	\$4,000
\$1M to \$1.5M	\$1,500	\$6,000
\$1.5M to \$2M	\$2,000	\$8,000

PLUS, for each additional amount of Net Worth (if applicable)\*:

<u>Total Net Worth*</u>	<u>Additional Net Worth*</u> (Or portion thereof)	<u>Additional Fee</u>		<u>TTL Annual Fee</u>
		<u>Quarterly</u>	<u>Annual</u>	
From \$2M to \$5M	\$500 thousand	\$250	\$1,000	\$9,000-\$14,000
From \$5M to \$10M	\$1 million	\$250	\$1,000	\$15,000-\$19,000
\$10M and above	\$2 million	\$250	\$1,000	\$20,000+

Fees are based on Client Net Worth\* at the time of the initial engagement and may be adjusted every two years based on current Client Net Worth\* and Advisor’s formula at those times.

*\*Net Worth includes assets over which Client has control, such as investment accounts, 401(k)s, 403(b)s, vested stock options, vested restricted stock, vested restricted stock units, savings and checking*

*accounts, cash value of life insurance, etc. Net Worth also includes home equity, commercial and/or rental real estate, and ownership interest in closely held business.*

Open retainer fees are fixed for up to two years. Fees are non-negotiable. The first five months of the annual Open Retainer fee is due upon initial execution of the service agreement and quarterly thereafter. Fees are paid in advance. In no case will any fee be prepaid six or more months in advance. Fees are billed directly to client. Advisory agreement may be voluntarily terminated upon 30 days written notice and the unused portion of any prepaid fee shall be refunded on a pro-rata basis.

In some cases, AFA may be retained on an hourly basis. Charges for services performed on this basis are subject to a rate of \$250 per hour.

**Fee for Widowed Clients:** In recognition of the many emotional and financial challenges faced by women who have recently lost their husbands, AFA charges the following special fee to new clients who were widowed in the 12 months prior to first becoming a retainer client:

Initial 12 Month Retainer Period:	Flat \$4,000, regardless of net worth
Ongoing retainer:	Applicable fee in effect at that time

**Note:** This fee does not apply to current clients who become widowed.

- **Financial Review:** \$750 to \$950, depending on issues addressed
- **Social Security Planning Review:** Flat \$250 payable in advance.
- **Retirement Plan Consulting:**

AFA has contracted with BAM Advisors Services, LLC for ERISA Section 3(38) investment management services, including access to model investment portfolios and administrative and marketing support services. BAM receives a portion of the following fees paid by participating 401(k) plans.

<u>Assets Under Management</u>	<u>Annual Fee</u>
On the first \$1,000,000	1.00%
On the next \$1,000,000	0.80%
On the next \$3,000,000	0.60%
On the next \$5,000,000	0.45%
On all amounts thereafter	0.40%

Fees for some existing clients may differ from the schedule above.

AFA's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment managers and other third parties such as custodial fees, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds 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 AFA fee, and AFA shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that AFA considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

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

AFA does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

#### **Item 7 – Types of Clients**

AFA provides holistic financial planning and investment advisory services to a broad array of individual clients spanning the spectrum of the financial life cycle. We strive to work with people from all different walks of life. As such, we maintain no minimum net-worth or asset requirements. We work with most clients on an open-retainer basis however, as outlined above, your relationship with AFA and the corresponding fee will be based upon your individual circumstances and needs. In addition to working with individuals, AFA also provides retirement plan consulting services to retirement plan sponsors.

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

Academic research suggests that asset class selection is the prime determinant of overall investment performance. AFA therefore pursues an asset class-based investment strategy with exposure to high quality US and foreign bonds and domestic and international companies of various sizes. We maximize diversification by "owning the market" via no-load funds and pursue a "passive" investment strategy that avoids making any market timing or individual stock bets. Owning no-load passive mutual funds also minimizes costs and maximizes tax efficiency given their low turnover. In order to further increase tax efficiency, we hold taxable bonds whenever possible in tax deferred accounts.

AFA strongly believes in the efficiency of the market and that it is not possible to consistently outperform over time by trying to time the market or attempting to pick individual winning securities, an approach known as "active management." While it may be true that pricing inefficiencies exist at any given moment, these are at best fleeting and are quickly corrected. AFA therefore believes that, in spite



of these momentary inefficiencies, stock prices are always fairly set given that all available information is quickly reflected in a given stock's market value. The fact that this price may fluctuate as new information is processed by market participants has no bearing on whether one can accurately predict a stock's future performance.

Client portfolios will typically be constructed of institutional class, no-load, passively invested mutual funds from Dimensional Fund Advisors (DFA). AFA is a DFA Approved Advisor. On occasion, AFA may also utilize no-load index funds and ETFs from the Vanguard Group.

As an advisor, AFA believes that our efforts are most productively spent trying to control what we can while accepting what the market gives us in return. Our focus therefore is always on minimizing costs, increasing tax efficiency and investing broadly. We believe our role as an advisor is to set an appropriate asset allocation for our clients based on their investment horizon, personal risk tolerance and required rate of return as a function of their key life goals. Implementing this strategy using passively managed investments with the broadest possible exposure to a variety of relatively uncorrelated markets is, we believe, the most prudent strategy and the one that is in keeping with a fiduciary standard. Once that strategy is set, our focus is on helping clients adhere to it regardless of what the market or broader economy may be doing at any given time. Changes in the strategy should only be driven, we believe, by changes in the client's situation as opposed to external factors.

Investing in securities involves risk of loss that clients should be prepared to bear. The inherent risks associated with any investment recommended by AFA will be thoroughly reviewed and discussed with your goals, needs, and objectives in mind. Our goal is to make sure that you fully understand your investment strategy and the associated risks.

#### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of AFA or the integrity of AFA's management. AFA has no information applicable to this Item.

## **Item 10 – Other Financial Industry Activities and Affiliations**

AFA is a member of the Alliance of Comprehensive Planners (ACP). This non-profit organization provides training and support through an alliance of fee-only comprehensive financial advisors working with a broad range of clients. As a member of ACP, AFA has the right to use proprietary products and systems designed by ACP. ACP also provides ongoing training in the form of periodic seminars and annual conferences. The particular expertise of individual ACP members in areas applicable to financial planning is also readily shared among members.

AFA is a NAPFA Registered Financial Advisor. NAPFA is the nation's leading organization of Fee-Only comprehensive financial planning professionals. A NAPFA-Registered Financial Advisor is the top level of membership in NAPFA and requires a broad-based advanced education in financial planning and three years of comprehensive planning experience. NAPFA-Registered Financial Advisors must offer comprehensive planning services and submit a sample comprehensive financial plan to a peer review. Professionals who become a NAPFA-Registered Financial Advisor are committed to the Core Values of the organization and agree to follow the NAPFA Fiduciary Oath and Code of Ethics.

AFA is a DFA Approved Investment Advisor enabling it to offer DFA institutional class, open-ended, no-load mutual funds to clients. AFA receives no financial compensation from DFA for offering DFA Funds. AFA receives on-going training and practice management support from DFA associated with the proper use of DFA Funds. AFA does not believe this support materially affects the objectivity of its investment recommendations and remains free to offer non-DFA investments to clients where appropriate.

## **Item 11 – Code of Ethics**

AFA seeks to avoid material conflicts of interest. Accordingly, AFA does not receive any third party direct monetary compensation (i.e., commissions, 12b-1 fees, or other fees) from brokerage firms (custodians) or mutual fund companies.

However, some additional services and non-direct monetary or other forms of compensation may be offered and provided to AFA as a result of its relationships with custodian(s) and/or providers of mutual fund products. For example, AFA may be invited to attend educational conferences and/or entertainment events sponsored by such brokerage firms or custodians or mutual fund companies. AFA believes that the services and benefits actually provided to it by brokerage firms (custodians) and mutual fund providers do not materially affect the investment management recommendations made to clients of AFA. However, in the interest of full disclosure of any potential conflicts of interest, we discuss the possible conflicts herein.

Although AFA believes that its business methodologies, code of ethics, and operating policies are appropriate to eliminate, to the extent possible, potential material conflicts of interest, clients should be

aware that no set of rules or procedures can fully anticipate or eliminate all potential material conflicts of interest.

### **Our Code of Ethics**

AFA has adopted the ACP Code of Ethics to which all investment advisor representatives and employees are bound to adhere. This Code of Ethics states:

AFA and its investment advisor representatives and employees pledge to be:

**HOLISTIC** in outlook. We will consider all of your circumstances, family needs, goals, values, and aspirations when making recommendations.

**PROFESSIONAL** in conduct. We will protect your privacy. We will strive to maintain the highest ethical standards possible in our work and lives. We will continually enhance our skills and credentials through continuing education and will refer you to other professionals when you need help in an area outside our expertise.

**EDUCATIONAL** in nature. We will guide you through your options and explain them clearly to help you make the best choices. We will always take the time to make sure you understand our advice.

**INDEPENDENT** in compensation. We will never sell you a product or service other than holistic financial planning nor will we take a commission or a referral fee from another professional. You will receive objective, unbiased advice from us.

**COMMITTED** to your success. Holistic financial planning is a process, not an event, and we commit to adjusting your plan as your life goals change.

AFA also adheres to the NAPFA Code of Ethics as follows:

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

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

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

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

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

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

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

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

### **Best Practices Fiduciary Advisor Affirmation Program**

The Advisor has voluntarily subscribed to the “Best Practices for Financial Advisors” published by The Institute for the Fiduciary Standard. The Best Practices offer a simple code of conduct and outline a commitment to clients of subscribing financial advisors. They seek to clearly articulate what a client can expect to receive from a subscribing financial advisor. These Best Practices do not replace our regulatory compliance obligations or duties to clients under relevant laws, rules, or regulations. The Institute for the Fiduciary Standard’s role is limited to publishing the Best Practices as well as maintaining a corresponding register of subscribing financial advisors. You can find a complete list of the Best Practices on our website or at

<http://www.thefiduciaryinstitute.org/wpcontent/uploads/2016/09/BestPracticesSpecificRequirementsSeptember132016.pdf> and verify our subscription status at [www.thefiduciaryinstitute.org](http://www.thefiduciaryinstitute.org).

### **Participation or Interest in Client Transactions and Personal Trading**

Employees of AFA may personally buy securities that are recommended to clients. There is no conflict of interest as these investments are widely held, publicly traded, open-end mutual fund securities.

AFA’s clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Joseph Alfonso, principal.

It is AFA’s policy that the firm will not affect any principal or agency cross securities transactions for client accounts. AFA will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the

advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

#### **Item 12 – Brokerage Practices**

AFA is not affiliated with any broker-dealer firm but may suggest brokers to clients. Factors considered are comparative fees, services provided, quality of transaction execution and reputation. AFA receives no commission, compensation or client referrals of any kind as a result of a client implementing investment recommendations with a particular institutional custodian or broker-dealer.

#### **Item 13 – Review of Accounts**

Joseph Alfonso, founder and principal of the firm, is responsible for regularly reviewing and reassessing financial recommendations made to clients. All accounts are reviewed at least annually. Clients may request more frequent reviews of their accounts at any time. The primary factor dictating a client review is a significant change in a client's financial situation or key planning goals and objectives.

Clients with brokerage accounts receive statements at least quarterly from their custodian. A net worth statement, including a summary of assets, is generally reviewed with clients at least annually.

#### **Item 14 – Client Referrals and Other Compensation**

AFA is a fee-only financial planning firm and does not sell insurance or investment products, nor does it accept commissions as a result of any product recommendations. AFA does not pay referral or finder's fees, nor does it accept such fees from other firms.

#### **Item 15 – Custody**

AFA does not take custody of client assets.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains your investment assets. AFA urges clients to carefully review such statements and compare such official custodial records to the account statements that we may provide to you.

#### **Item 16 – Investment Discretion**

At your request, AFA may execute the sale and/or purchase of investments where authorized to do so by you on a non-discretionary basis. Non-discretion refers to the requirement to obtain your express

written permission and approval prior to initiating any investment transactions on your behalf. This individual trading authorization is in addition to a limited power of attorney granting us limited access to your accounts.

When selecting securities and determining amounts, AFA observes the investment policies of the clients for which it advises.

#### **Item 17 – Voting Client Securities**

As a matter of firm policy and practice, AFA does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios.

#### **Item 18 – Financial Information**

AFA does not require prepayment of fees greater than \$500 per client, six months or more in advance.

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about AFA's financial condition. AFA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

#### **Item 19 – Requirements for State-Registered Advisers**

##### **EDUCATION & BUSINESS BACKGROUND**

Principal Owner: Joseph Alfonso

Certifications and Professional Designations:

##### **CERTIFIED FINANCIAL PLANNER™ Certificant 07/10/2009**

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

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 68,000 individuals have obtained CFP® certification in the United States.

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

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

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

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

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

### **ChFC® (Chartered Financial Consultant®) Designation 08/01/2009**

The ChFC® designation has been a mark of excellence for almost thirty years and currently requires nine college-level courses, the most of any financial planning credential. Average study time to earn the ChFC® exceeds 450 hours. Required courses cover extensive education and application training in financial planning, income taxation, investments, and estate and retirement planning. Additional electives are chosen from such topics as macroeconomics, financial decisions for retirement, and executive compensation. ChFC® designees must meet experience requirements and adhere to continuing education and ethical standards. The credential is awarded by The American College, a non-profit educator founded in 1927 and the highest level of academic accreditation.

## **IRS Enrolled Agent Certification of Enrollment 09/10/2010**

An Enrolled Agent (EA) is a federally-authorized tax practitioner who has technical expertise in the field of taxation and who is empowered by the U.S. Department of the Treasury to represent taxpayers before all administrative levels of the Internal Revenue Service for audits, collections, and appeals.

“Enrolled” means to be licensed to practice by the federal government, and “Agent” means authorized to appear in the place of the taxpayer at the IRS. Only Enrolled Agents, attorneys, and CPAs may represent any taxpayer before the IRS. The Enrolled Agent profession dates back to 1884 when, after questionable claims had been presented for Civil War losses, Congress acted to regulate persons who represented citizens in their dealings with the U.S. Treasury Department.

The license is earned in one of two ways: by passing a comprehensive examination which covers all aspects of the tax code, or having worked at the IRS for five years in a position which regularly interpreted and applied the tax code and its regulations. All candidates are subjected to a rigorous background check conducted by the IRS.

In addition to the stringent testing and application process, the IRS requires Enrolled Agents to complete 72 hours of continuing professional education, reported every three years, to maintain their Enrolled Agent status. Because of the knowledge necessary to become an Enrolled Agent and the requirements to maintain the license, there are only about 46,000 practicing Enrolled Agents.

Unlike attorneys and CPAs, who may or may not choose to specialize in taxes, all Enrolled Agents specialize in taxation. Enrolled Agents receive their right to practice from the U.S. government (CPAs and attorneys are licensed by the states).

Enrolled Agents are required to abide by the provisions of the Department of Treasury’s Circular 230, which provides the regulations governing the practice of Enrolled Agents before the IRS.

## **State of Oregon Licensed Tax Consultant (LTC) 05/31/2011**

A Tax Consultant license enables a person to lawfully prepare personal income tax returns in the State of Oregon for a fee as a self-employed or independent tax practitioner.

Enrolled Agents can become Licensed Tax Consultants by passing a tax consultant examination on Oregon tax law, Oregon Income Tax Service Law and the Tax Board Code of Professional Conduct with a 75% pass rate or higher.

Tax consultants are required to complete 30 hours of continuing education related to tax law and tax preparation per year. To renew their licenses each year, licensees must attest to having completed a minimum of 30 hours of acceptable continuing education during the 13 months prior to each license year.



## **RICP® (Retirement Income Certified Professional™) Designation 11/01/2015**

The RICP® designation teaches advisers techniques and best practices used to create sustainable streams of retirement income. The education covers retirement income planning, maximizing Social Security and other income sources, minimizing risks to the plan, and managing portfolios during the asset distribution phase. The designation includes three required, college-level courses that represent a total average study time of more than 150 hours. RICP® designees must meet experience, continuing education and ethics requirements. The credential is awarded by The American College, a non-profit educator founded in 1927 and the highest form of academic accreditation.

### **Education:**

Cornell University, Ithaca, NY  
College of Arts and Sciences  
B.A. Philosophy (1981)

The American College, Bryn Mawr, PA  
ChFC Designation (08/09)  
RICP Designation (11/15)

### **Business Background for the Preceding Five Years:**

Aegis Financial Advisory, LLC Cupertino, CA, and Lake Oswego, OR, Founder and Principal  
Registered Investment Adviser 2006 – Present