

## Item 1 – Journey Financial Planners Form ADV Part 2 Cover Page

# Journey Financial Planners, LLC

## Journey Wealth Partners

A Commonwealth of Massachusetts Registered Investment Adviser

### Form ADV Part 2A

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This brochure provides clients and prospective clients with information about JOURNEY FINANCIAL PLANNERS also marketed as JOURNEY WEALTH PARTNERS [“Advisor” or “Journey”] and the qualifications, business practices, and nature of its services that should be carefully considered before becoming an advisory client. If there are any questions about the contents of this brochure, please contact Journey at (978) 369-2911. 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.

Journey is a Commonwealth of Massachusetts Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. The Adviser’s oral and written communications provide clients and prospective clients with information to help them determine whether to hire or retain them.

Additional information about JOURNEY is also available on the SEC’s website at:

[http://www.adviserinfo.sec.gov/IAPD/Content/Search/iapd\\_Search.aspx](http://www.adviserinfo.sec.gov/IAPD/Content/Search/iapd_Search.aspx). Click on [Investment Adviser Search](#) and search for Journey **by name** or by the Firm’s **IARD/CRD#, which is 147017**. The SEC’s web site also provides information about any persons affiliated with Journey who are registered as investment adviser representatives of Journey.

## Item 2 – Material Changes

Journey amended its June 3, 2015 and April 12, 2016 Form ADV Part 2 due to the following material changes, note Journey's service offerings and pricing has changed.

- (i) Journey does not require a minimum of assets to be a Journey client but Journey does have a minimum fee of \$4,000 and a maximum of \$20,000 annual fees. Journey offers a six month engagement for a minimum of \$4,000 or a maximum of \$10,000 for new clients. Investment management fees are in addition to the annual fee.
- (ii) Journey has changed our fee structure by adding an annual charge along with reducing our fees for assets under management for all new annual clients. All new clients must be an annual client if they wish to hire Journey to manage their assets. The annual fee is based on advised assets which includes employer retirement accounts, custodial accounts, 529 accounts for example. Depending on client's advised assets and assets under management with Journey, their fees may be decreased or increased. As our current fee structure has been changed, we may grandfather current clients under previous pricing per their original agreement. Our recommendations will be in the clients' best interest as to whether maintain their current agreement or enter into a new agreement.
- (iii) A wrap fee option that includes or "bundles the trading, reporting and custody fees in the 'percent of assets under management fees' for accounts has been added for small accounts.
- (iv) Journey is now able to manage assets at Fidelity and TD Ameritrade. The pricing of services is the same however, Journey works with a sub-advisor on the Fidelity platform and a digital platform for trading, portfolio management and reporting on TD Ameritrade. Journey recommends the portfolios in all cases.
- (v) We have modified our terms for billing and plan completion definition for greater clarity in our ADV and our agreements as follows a) If the Initial Plan is not delivered within six months from the date of the agreement due to the client not scheduling meetings then hourly rates will apply to complete the plan and b) Initial Plans are considered completed at the plan delivery meeting or six months from the date of the initial meeting, whichever comes first.

As with all Journey documents, clients and prospective clients are encouraged to review this brochure in its entirety and are encouraged to ask questions at any time prior to or throughout the engagement.

What remains the same, is that Journey is committed to complete transparency and providing quality, objective advice to clients that is always in the client's best interest at fair and competitive prices. To remain objective and keep the clients' best interest at heart in both the spirit and letter, Journey accepts payments only from clients. Journey never accepts any form of payment from financial services firms interested in influencing the firm's recommendations. Our core values are as follows:

- To behave with integrity and ethical actions always
- To be compassionate with all people we work with
- To be curious to facilitate greater value and meaning for our clients

- To be self-motivated and employ strong work ethic for quality and quantity of work
- To be collaborative with clients and colleagues
- To be proactive and to anticipate opportunities and in avoiding problems
- To be flexible without losing focus

Journey may at any time update this document and either send a copy of its updated brochure or provide a summary of material changes to its brochure and an offer to send an electronic or hard copy form of the updated brochure. Individuals are able to download this brochure from the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or may contact Journey at (978) 369-2911 or find this brochure on our website [www.journeyfinancialplanners.com](http://www.journeyfinancialplanners.com).

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#### Important Information

Throughout this document, Journey Financial Planners may be referred to as “Journey,” “JFP”, “Journey Wealth Partners”, “JWP”, “the firm,” or “firm.” The client or prospective client may be collectively or individually referred to as “client/s” or “prospective client/s” and refers to an engagement involving a single person as well as two or more persons or an organization.

## Item 4 – Advisory Business

### Firm Description & Principal Owners

Journey was organized in 2008 and is registered with the Commonwealth of Massachusetts as a Registered Investment Advisor. Journey is a privately held company organized as a Limited Liability Corporation (LLC). Margaret (Peggy) M. McGillin is the principal of the firm. She and the employee team of CERTIFIED FINANCIAL PLANNER™ practitioners and with the support of administrative personnel offer objective financial planning, investment advice and management, and company retirement planning to individuals, families, institutions, and businesses. We are able to provide services to clients in the United States.

Margaret (Peggy) M. McGillin is the principal owner of the firm and controls the firm. Journey does not control any financial industry affiliates. Journey is not controlled by any industry affiliates.

Journey provides wealth management i.e. personal financial planning and investment management to individuals, families and their related entities, trusts and estates, family businesses, and institutions and businesses. Journey works with clients to define financial objectives and to develop strategies for reaching those objectives, some of which may include identification of financial challenges, cash flow and budget management, tax planning, risk exposure review, investment management, education funding, retirement planning, estate planning, charitable goals, and/or other issues specific to the client. Journey also advises company retirement plan sponsors.

The firm's compensation is solely from fees paid directly by clients. The firm does not receive commission based on the client's purchase of any financial product, including insurance. No commissions in any form are accepted. No referral fees are paid or accepted.

As of fiscal year-end on December 31, 2015, Journey had in excess of \$11,500,000 of non-discretionary assets under management (defined in Item 16). (Journey's assets under management as of August 1, 2016 are \$13,500,000.)

### Comprehensive Wealth Management Services

**Journey provides customized comprehensive wealth management.** Journey has an established and efficient process of working with individuals and families to clarify client goals in specific and measurable terms and identify gaps (if any) between the client's current situation and their goals. Journey identifies the options available to clients to optimize their current situation and provides smart, practical, and realistic recommendations for achieving the identified goals.

#### Process

Journey follows the Certified Financial Planner Board of Standards, Inc. (CFP Board) Financial Planning Process consisting of the following six steps that are also outlined on the website ([www.cfp.net](http://www.cfp.net)):

1. Establishing and defining the client-planner relationship.

Journey clearly explains or documents the services to be provided to clients and defines both Journey's responsibilities and the client's responsibilities. Journey explains fully how the firm is paid and by whom.

<sup>2</sup> See Item 15 for the definition of term "custody".

Journey works with clients to determine how long the professional relationship should last and how decisions will be made.

2. Gathering client data, including goals.

With the client, Journey mutually defines client's personal and financial goals, understands client's time frame for results, and determines how the client feels about risk. Journey works with the client to gather all the necessary documents before giving the client advice.

3. Analyzing and evaluating client financial status.

Journey analyzes client information to assess the client's current situation and determine what must be done to meet their goals. This includes analyzing assets, liabilities and cash flow; and current insurance coverage, investments, tax strategies, their estate plan and needs and opportunities.

4. Developing and presenting financial planning recommendations and/or alternatives.

Journey offers recommendations that address the client's goals, based on meaningful conversations and the information provided. Journey explains the recommendations and discusses them with the client to help them understand the implications of implementing recommended actions or not implementing. This enables the client to make informed decisions and effective changes. Journey listens to client concerns and revises the recommendations, as appropriate.

5. Implementing the financial planning recommendations.

Journey and the client agree on how the recommendations will be carried out. Journey may carry out the recommendations or work with and coordinate the whole process with the client and other professionals such as attorneys or other advisors.

6. Monitoring the financial planning recommendations.

Journey and the client agree on who will monitor the client's progress towards the identified goals. If the client wants Journey to be in charge of the process, the firm reports to the client periodically to review the client's situation and adjust the recommendations, if needed, as life changes.

## Planning & Perspective Shift

As simple as the planning process may sound, a number of profound shifts occur when the client specifically identifies goals and identifies the milestones and timeline needed to achieve these goals. With the plan in hand, the client can now see how their life and finances are optimally integrated. We strive to help people with significant behavioral and emotional shifts in their relationship with money. We find that helping clarify realistic goals and action items identified in the financial plan often reduce anxiety and improve day-to-day satisfaction. If the client is a couple, the Initial Journey plan creates a common language for partners to be much more aware of their decision styles, beliefs, and assumptions about money. Couples who are clients also now have a framework to discuss and improve their financial decision-making and management. All clients benefit from having a sounding board for their beliefs and assumptions about their finances, planning and the market. Journey is responsible for helping clients work through often hidden cognitive biases.

<sup>2</sup> See Item 15 for the definition of term "custody".

## Services Summary

Journey works with most clients in one of the following ways to best meet their needs. The differences between the service offerings are italicized to highlight the key distinctions:

- *Initial* Journey Wealth Management Service
- *Annual* Journey Wealth Management Service

These services have been developed by Journey to effectively meet client needs in a way that allows the client the maximum benefits and offers the most comfortable degree of control of their planning and investments. As such, the client can easily choose how to have their planning and investing needs met by Journey while taking advantage of Journey's objectivity and expertise.

Journey believes that many clients wish to work with a firm that provides personal planning and investment management while allowing clients to stay in control of their investible assets.

## Detailed Service Descriptions

### 1. Initial Journey Wealth Management Plan

This service provides clients with a comprehensive financial plan. Journey develops along with the client, a personal, specific and written plan, which includes investment advice and implementation support across all of their accounts. The Initial Plan is developed usually over the course of at least three face to face or video meetings, phone calls, and emails. The three meetings are (i) an initial meeting to learn about the client, (ii) an interim meeting to dialogue about the client's goals, gaps, and scenarios, and (iii) a next steps meeting to discuss with the client Journey's recommendations and decisions to be made. The client's time commitment is four to eight hours plus travel time to Journey's offices in Concord, MA. The Initial Plan may be completed in as little as one month. However, most plans, from start to finish, are developed over the course of six weeks to six months, depending on the client's availability and decision-making style. Initial Plans are considered completed at the plan delivery meeting or six months from the date of the initial meeting, whichever comes first.

This service is offered for a one-time fee. See Item 5—Fees and Compensation for more detail.

The client's Initial Plan includes the client's current situation (point A), their goals (point B), the gaps (in dollars and percentages and estimated time) between their current situation and their goals, and Journey's range of possible and best specific recommendations for achieving those goals. In addition to each of the specific recommended actions, the client receives consulting and education plus well-organized detailed documentation containing all assumptions and analysis that went into developing their comprehensive financial plan and investment advice.

The Initial Plan will include, depending on the client's situation, detailed recommendations regarding:

- What the client can afford to spend and save annually
- Recommended savings targets, cash flow, and debt management steps
- How to meet educational savings goals or how to pay for college now
- What to do in the immediate years prior to retiring

<sup>2</sup> See Item 15 for the definition of term "custody".

- How to optimally generate a “paycheck” from savings assets in retirement
- Organizing the client’s finances to reduce taxes
- Comparing and contrasting housing options: i.e. stay in home, downsize, rent, condo or house, second home for lifestyle or investment property
- Comparing and contrasting employment options, risk and reward of large company versus start up, US or international employers/assignments, employment or self-employment with new business, buying more or less employer stock, planning for options and deferred compensation, etc.
- Complete insurance review, including health insurance (if self-employed or a business owner), long-term care analysis, home and auto insurance, umbrella and life insurance and social security.
- Estate planning, life care planning and charitable giving
- Investing advice across 401k plans, IRAs, and brokerage accounts for liquidity needs, risk and return optimization at lower costs, annuity analysis and optimization, rental property, etc.

## 2. Annual Journey Wealth Management Plan & Service

This service is similar to the Initial Journey Wealth Management service, but provides clients with an ongoing relationship with Journey. When, at the completion of the Initial Wealth Management engagement, a client chooses to continue working with Journey, they benefit from being held accountable to their plan, proactive and regular plan management and support, access to and advice from Journey throughout the year, plus a complete updated and written year over year progress report, forecast and analysis.

This service is offered for a fixed fee plus, if applicable an asset management cost – either for an additional web based platform fee or sub-advisory fee that is billed quarterly in arrears. See Item 5—Fees and Compensation for more detail.

This service requires an annual commitment and renews automatically unless either the client or Journey requests to end the agreement in writing.

## Investment Advisory Description

Journey tailors the investment recommendations to the client by first and foremost taking into account the client’s goals, total resources available, and risk tolerance, time frame for when the funds are required, immediate and near term liquidity needs, tax implications, client sophistication, and values. Investment recommendations vary for each client depending on their life phase such as the retirement accumulation phase, the near retirement phase, or the retirement phase. A client may impose restrictions on or request investing in certain securities or types of securities, which may or may not affect the characteristics of their overall portfolios in terms of risk, return, fees, and efficiency.

Journey does not receive commissions or third-party payments of any kind. The only compensation the firm receives is in the form of fees paid directly by the client to Journey.

The client will receive a copy of Journey's Part 2 of Form ADV prior to or with the execution of the Service Agreement. Any client who does not receive a copy of this form within 5 business days of signing a client agreement can terminate Journey's services without penalty. If the client has received the ADV and wishes to terminate the engagement the client will be responsible and will be invoiced for any time charges incurred by Journey in the preparation of the client’s financial plan or other materials that Journey was engaged to prepare on behalf of the client.

<sup>2</sup> See Item 15 for the definition of term “custody”.



Journey believes in tailoring a custom investment strategy for each client. Every situation is unique and all factors need to be taken into consideration. Item 8 of this Form ADV details Journey's investment strategy and methods for developing client financial plans and investment advice.

The client is responsible for promptly notifying Journey if there are changes in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising previous recommendations. The client retains discretion over the choice of investment models and is also free to reject the recommendation of entering into a wrap fee program altogether. The individual securities held within an investment model are, however, at the discretion of the portfolio manager.

### **Wrap fee programs.**

Through OBS, a third party Registered Investment Advisor, both a wrap account (where trading fees are bundled in the asset management fee) and transactional accounts are available. The decision to use a wrap account versus a regular account is a function of the size of the account relative to the anticipated trading charges. For example, an account that will be providing a distribution each month for a client in retirement, the wrap account with the trading fees bundled into the account fee may be the optimal economic decision. If the trading charges are less than the difference between the wrap fee and the traditional account on a percentage basis, we would then suggest the account type that would cost less. If the number of trades per year are known it is a simple break-even analysis based on expected trades and account value per year. OBS and Journey are not affiliated companies.

### **Managed Assets**

Since 2008, Journey has developed over 258 comprehensive financial plans and, as of December 31, 2015, is managing \$11,501,502 in assets for 18 households. These assets are managed on a non-discretionary basis, meaning that Journey cannot execute changes in the way investments are managed without a client's signed approval. Journey has provided investment advice to clients' plans with investments totaling more than \$215,144,355 dollars during 2015.

Clients whom Journey advised during 2015 have an average net worth of \$4,264,999 ranging from new doctors with negative \$100,000 net worth due to medical school loans, up to professionals with net worth's exceeding \$10,000,000.

### **Company Retirement Plan Advisory Service**

Journey advises and provides services to businesses to support the business' provision of a retirement plan to employees. Journey provides retirement plan sponsor management and administrative support including plan design recommendations, investment reviews, fee reviews, vendor reviews, and plan conversion activities.

### **Administrative and Platform Services**

Journey has contracted with and pays a financial technology company, Trizic ([www.trizic.com](http://www.trizic.com)), to utilize its digital advisory and technology platforms. Trizic and Journey are not affiliated companies. Trizic is not an investment adviser or broker/dealer, but as a technology provider works with investment advisory firms, like Journey, to develop, customize, and implement web based, interactive investment advisory services. Trizic supports Journey by providing a customized website, website administration, risk questionnaire, portfolio implementation and rebalancing. Trizic also provide assistance with account opening, fee calculation, billing, and provide other functions related to the administrative tasks of managing client accounts. Due to this arrangement, Trizic will have access to Journey client

<sup>2</sup> See Item 15 for the definition of term "custody".

accounts, but Trizic will not serve as an investment advisor to Journey clients. The fees paid to Trizic for their administrative and platform services come from the platform fees Journey charges to client accounts on the Trizic platform. Please refer to Item 5 – Fees and Compensation for details about the fees charged for our services.

## Firm Responsibility

Journey will use its best judgment and good faith effort in rendering its services to its clients. Our firm cannot warrant or guarantee any particular level of account performance or that accounts will be profitable over time. Past performance is not necessarily indicative of future results.

Except as may otherwise be provided by law, the firm will not be liable to an account holder, heirs, or assigns for any loss an account may suffer by reason of an investment decision made or other action taken or omitted in good faith by the firm with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; any loss arising from the firm's adherence to the account holder or their legal agent's direction; or any act or failure to act by a service provider maintaining an account. Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith and, therefore, nothing contained in this document shall constitute a waiver of any rights that an account holder may have under federal and state securities laws.

## Item 5 – Fees and Compensation

Journey is compensated by clients only. Journey does not accept any form of payment from financial services firms interested in influencing the firm's recommendations. In this way, Journey can effectively provide objective advice that serves the client's best interests.

Journey's service offerings are listed below and described in detail in Item 4 of this Form ADV. These services have been developed to meet the various needs of clients. Journey's fees are negotiable in certain situations such as accounts over \$20,000,000 or for family and friends of the firm and clients.

## Fee Structure

Journey's services and fees are summarized below. Detailed fees for each of the services are provided in Tables 1 and 2, as follows:

Table 1. Fee Detail for Journey Wealth Management Services

Table 2. Fee Detail for Grandfathered Asset Under Management Pricing

It is our belief and core value that fees should be transparent and understandable. We have provided examples to help clients and prospective clients make more informed decisions.

<sup>2</sup> See Item 15 for the definition of term "custody".

Table 1. Fee Detail for Journey Wealth Management Services (Fidelity or TD Ameritrade as Custodian)

<b>Comprehensive Wealth Management</b>						
Service	Calculation	Annual		Annual Example		
		Minimum <sup>1</sup>	Maximum			
<b>Planning, Investing Advice &amp; Execution</b>	0.40%	\$4,000	\$20,000	Advised Assets	\$ 2,275,000	
	Of Advised Assets (Includes Employer Plans)			Planning, Investing Advice & Execution	\$ 9,100	
<sup>1</sup> Six month minimum for new clients is one half of the annual cost i.e., 0.20% of Advised Assets with a minimum \$4,000. When a client's advised assets reach \$5,000,000 the annual fee will increased to \$20,000.						
<b>Investment Management (Only available to Wealth Management Clients)</b>						
		AUM**		Example		
<b>Assets Under Management (AUM)</b>	On a sliding scale from 0.90% to 0.30% based on AUM				AUM	\$ 2,500,000
				Investment Management	\$ 16,000	
<b>**AUM Tiers</b>	<b>Tier Max</b>	<b>Tier %</b>	<b>Per Tier</b>	<b>AUM Cost</b>	<b>AUM %</b>	
<i>From</i>	<i>To</i>					
0	500,000	500,000	0.90%	4,500	0.90%	
500,000	1,500,000	1,000,000	0.60%	6,000	0.70%	
1,500,000	5,000,000	3,500,000	0.55%	19,250	0.60%	
5,000,000	10,000,000	5,000,000	0.45%	22,500	0.52%	
10,000,000	20,000,000	10,000,000	0.30%	30,000	0.41%	
20,000,000			Negotiable			
<b>Custodian Trading Charges and if applicable, Turnkey Advisory Management Program (TAMP) reporting charges are as follows:</b>						
Fidelity		\$20.50	Per Trade			
TD Ameritrade		\$24.00	Per Trade			
OBS Financial Services (TAMP & Sub Advisor)		\$75.00 - \$125.00	Reporting cost per account for Fidelity accounts only			

Billing - The Annual and Asset Fees will be both be billed quarterly in arrears. The asset charges will be billed from each account. The annual fee will be billed from an account as determined by the client.

<sup>2</sup> See Item 15 for the definition of term "custody".

<b>Sample Costs</b>							
			Planning, Investing & Execution		Investment Management	Total Annual Cost	
Advised Assets (Includes Employer Plans)	Assets Under Management	Tier % Cost	<sup>1</sup> New Client (6 month minimum commitment)	Annual Planning, Investment Advice (Based on Advised Assets)	JWP AUM Tiered Cost Range 0.90% - 0.30% See above	Cost \$	% Advised Assets
			<b>0.20%</b>	<b>0.40%</b>			
0	0	<b>0.90%</b>	4,000	4,000	0	4,000	-
500,000	0		4,000	4,000	0	4,000	-
800,000	500,000		4,000	4,000	4,500	8,500	1.06%
1,000,000	750,000	<b>0.60%</b>	4,000	4,000	6,000	10,000	1.00%
1,200,000	1,000,000		4,000	4,800	7,500	12,300	1.03%
1,800,000	1,500,000		3,600	7,200	10,500	17,700	0.98%
2,400,000	2,000,000	<b>0.55%</b>	4,800	9,600	13,250	22,850	0.95%
3,000,000	2,500,000		6,000	12,000	16,000	28,000	0.93%
3,600,000	3,000,000		7,200	14,400	18,750	33,150	0.92%
6,000,000	5,000,000		10,000	20,000	29,750	49,750	0.83%
7,200,000	6,000,000	<b>0.45%</b>	10,000	20,000	34,250	54,250	0.75%
8,400,000	7,000,000		10,000	20,000	38,750	58,750	0.70%
9,600,000	8,000,000		10,000	20,000	43,250	63,250	0.66%
12,000,000	10,000,000	<b>0.30%</b>	10,000	20,000	51,500	71,500	0.60%
14,400,000	12,000,000		10,000	20,000	57,500	77,500	0.54%
18,000,000	15,000,000		10,000	20,000	66,500	86,500	0.48%

<sup>2</sup> See Item 15 for the definition of term "custody".

Table 2. Fee Detail for Grandfathered Assets under Management Pricing (Fidelity as custodian only)

Advisory Tiers		
	Transactional Pricing*	Bundled "Wrap" Pricing
\$ 10 MM +	.70%	.76%
\$5 MM - \$10 MM	.85%	.91%
\$4 MM - \$5 MM	1.0%	1.06%
\$2MM - \$4MM	1.05%	1.14%
\$1.0MM – \$2.0MM	1.10%	1.22%
\$.750MM - \$1.0MM	1.20%	1.35%
\$500K - \$.750MM	1.25%	1.40%
Less than \$500K**	1.30%	1.45%

**Billing** All advisory fees are automatically deducted from investment accounts at the end of each quarter as are trading and report charges if applicable.

**Additional Fees** \* If sub- advisor on Fidelity is used - Trading charges of \$20.50 per trade and a per-account annual maintenance fee of \$75 up to \$125 (paid in quarterly installments) per account apply.

Additional fees may be negotiated and charged for situations that are beyond the scope of Comprehensive Wealth Management.

*Additional Journey, sub-advisor or platform fees are never billed without a written agreement in place beforehand.*

\*\* Journey may accept clients with less than the minimum as a courtesy to existing clients or family.

## Hourly Fee

At times, Journey may make available financial consulting on an hourly basis (usually for past project clients or family of current clients). Journey charges \$300.00 per hour for financial consulting with a two hour, \$600.00 minimum.

## Services Agreement

Prior to becoming a client, the client will sign a written Services Agreement with Journey setting forth the terms and conditions of the engagement and describing the scope of the services to be provided. The written Services Agreement between Journey and the client will continue until terminated by either party via written notice. Journey's fees shall be prorated through the date of termination and any remaining balance shall be charged to the client. Clients agree to review their quarterly statements quarterly and in a timely fashion and alert Journey if there are any questions or concerns about the report's accuracy.

2 See Item 15 for the definition of term "custody".

## Broker-Dealers/Custodians

The client has the option to purchase investment products that are recommended by Journey through any brokers or agents whether the brokers or agents are or are not affiliated with Journey.

## Other Fees

Fees and expenses charged by sub-advisors, mutual funds and/or exchange-traded funds (ETFs) are in addition to fees paid to Journey. Advisory fees with sub-advisors or platform charges may appear as a single fee on statements.

Journey recommends that the client review the investment prospectus for a complete explanation of fund fees and expenses. In addition, the client may also incur separate transaction costs or administration fees from brokerage firms. Journey recommends that the client obtain a complete schedule of fees from their brokerage firm. Journey does not receive any portion of these other fees. Journey does not receive commissions or third-party payments of any kind. The only compensation Journey receives is in the form of fees paid by the client.

Although the fees earlier described are for advisory fees payable to our firm, there may be additional fees an account holder may pay when transactions occur in their account. The list of potential fees and expenses below depict what the account holder may pay to engaged service providers, whether the position is being purchased, sold or held in an account.

- Mutual fund sales loads, including SEC 12b-1 fees
- Transaction fees
- Exchange fees
- SEC regulatory fees
- Advisory and administrative fees charged by mutual funds and exchange-traded funds (ETFs)
- Advisory fees charged by other advisors (if used)
- Custodial fees
- Deferred sales charges (on mutual funds or annuities)
- Odd-lot differentials
- Surrender charges (assessed by mutual funds or annuities)
- Transfer taxes
- Wire transfer and electronic fund processing fees
- IRA and qualified retirement plan fees
- Termination fees
- Express mailing fees
- Others as disclosed on statements or confirmations when or as required

## Sub-Advisor External Compensation for the Sale of Securities to Clients

Journey's sub-advisor (OBS Financial Services) does not charge or receive a commission or mark-up on securities transactions, nor will the firm or an associate be paid a commission on the purchase of securities that have been recommended to the client. We do not receive "trailer" or SEC Rule 12b-1 fees from an investment company we may recommend to the client. Fees charged by issuers are detailed in prospectuses or product descriptions and the client is encouraged to read these documents before investing. OBS is utilized when Fidelity is the selected Custodian only.

<sup>2</sup> See Item 15 for the definition of term "custody".

## Other Professional Services

Journey does not serve as an attorney, accountant, or insurance agent and no portion of Journey's services should be construed as such. To the extent requested by a client, Journey may recommend the services of other professionals including, but not limited to, lawyers, accountants, insurance agents, and real estate agents. The client is under no obligation to engage the services of any such recommended professional. The client retains discretion over all such implementation decisions and is free to accept or reject any recommendation. Any such professional shall be engaged directly by the client. Please note: If the client engages any such recommended professional and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

## Conflicts of Interest

Conflicts of interest will be disclosed to the client and managed in the best interest of the client. The extent of Journey's conflicts of interest are the close-working relationships that develop among a professional network and the increased comfort of making referrals to another trusted professional that may result in reciprocal referrals. Other conflicts of interest may arise in the case of a client asking if they should pay off debt or move money to or from Journey for management, such as a rollover from an employer 401k plan. Journey analyzes these situations and will provide the rationale in writing as to why our recommendation is what it is as a check and balance to our objectivity. No referral fees or other compensation is provided to Journey as part of recommending such professionals.

Journey's compensation comes solely from clients. Journey does not accept any form of payment from financial services firms interested in influencing the firm's recommendations. Journey's fees and billing schedule for business retirement plan services are detailed in the below table.

<sup>2</sup> See Item 15 for the definition of term "custody".

## Company Retirement Plan Advisory Service Fees

Journey's company retirement plan advisory fees are as follows:

**Table 8. Summary of Fees for Service Services**

	Company Retirement Plan Consulting Services	Company Retirement Plan Advisory Services	Employee Education & Communications
Minimum Assets	n/a	\$1MM - \$500MM	n/a
Asset Calculation	n/a	Total assets in the retirement plan	n/a
Min / Max Fee	Min: \$4,000 Max: \$20,000	n/a	3-hours at \$300/hr (= \$900)
Fee Calculation	\$300.00 per estimated # of hours	[Total Assets] * [0.75%]	Hourly above in full hour increments
Billing	Project fee paid over first 3 months of engagement. \$1K deposit due when engaged. Balance billed in equal installments over the following two months.	Automatically deducted from plan assets quarterly in arrears	50% Deposit due upon contract signing. Balance paid in following month.
Additional Fees	n/a	TAMP fees, add 0.21-.40% to annual fee.	n/a

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

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

## Item 7 – Types of Clients

Journey provides services to professionals, executives, businesses and non-profit foundations. A majority of Journey's clients are actively building and conserving their wealth. Most hold positions of leadership and have Doctorate, Medical or Graduate Degrees. Often clients are adults who are saving for a child's college education and/or assisting elderly parents. Journey also works with those who are nearing retirement or are in active retirement and wish to optimize their assets and income. Journey helps clients plan how to best draw on their assets to manage goals. Other clients include those who are newly responsible for financial affairs due to a death or those who have had a financial "windfall" event, such as an inheritance, sale of a business or of real estate, earned restricted stock options, or a large increase in salary.

Clients include medical doctors, professors, scientists, psychologists, software and hardware engineers, attorneys, and executives, and realtors. Over two thirds of Journey's clients meet the SEC's assets and income thresholds of an

<sup>2</sup> See Item 15 for the definition of term "custody".



accredited investor; over 40% are medical doctors; sixty percent have advanced degrees and we have experience working with expatriates and foreign nationals. Journey's clients have an average net worth of over \$4 million.

Journey's typical clients have sought an independent, fee-only, wealth management advisory firm after feeling underserved and or overcharged by a registered representative from a brokerage firm. Journey is the first advisory relationship for other clients. These clients recognize that the complexity of personal financial planning and investing and desire the benefits of working with a professional advisor that is a fiduciary.

As detailed in Item 5, Journey has no minimum income or asset requirements. Journey's sub –advisor does have a minimum value of \$10,000 per account. Journey generally doesn't manage clients' funds unless the total across all accounts managed exceeds \$500,000. However for Journey to be the most appropriate advisor for a client and to serve in the best interest of clients, we believe a minimum net worth of \$1 million is required for this cost of services to be competitive and affordable for clients. Some clients' fees are paid for by their employer, those clients benefit at any amount of net worth. For Company Retirement Plan Advisory clients, \$1MM minimum assets under management are required.

Journey reserves the right to waive certain fees based on unique individual circumstances, special arrangements, pre-existing relationships or as otherwise may be determined by an officer of the firm. The firm also reserves the right to decline services to any prospective client for any non-discriminatory reason.

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

### Method of Analysis

Journey takes into account the client's goals, total resources available, risk tolerance, time frame for when the funds are required, immediate and near term liquidity needs, tax implications, client sophistication, and values. Asset allocation and investment recommendations are provided in Journey's judgment to meet the client's objectives while minimizing risk exposure. Journey believes in an evidence-based investment strategy i.e, the structure of the portfolio drives the volatility of returns. Journey does not employ active management as defined by trying to time the market or to pick stocks or managers to outperform.

Fundamental analysis involves evaluating economic factors including interest rates, current state of the economy, and future growth of an issuer or sector, among others. Technical analysis may involve studying securities, markets, or economies as a whole in an effort to determine potential future behaviors. By relying on evidence-based strategies with well diversified low cost portfolios at the core, the firm believes it may better assist the clients in reaching their goals in an effective risk adjusted approach.

The firm's research and recommendations may be drawn from sources that include financial publications, investment analysis and reporting software, research materials from outside sources, corporate rating services, annual reports, prospectuses and other regulatory filings, as well as company press releases.

### Investment Strategy

Journey adheres to Modern Portfolio Theory ("MPT"). This Nobel prize-winning theory is based on the belief that proper diversification and risk management will provide the client with a more stable and consistent return over time.

<sup>2</sup> See Item 15 for the definition of term "custody".

Economists William Sharpe and Harry Markowitz won the Nobel Prize in 1990 for this theory. The MPT attempts to maximize portfolio expected return for a given amount of portfolio risk (or, conversely, minimize risk for a given level of expected return) by carefully choosing the proportions of various asset classes. In the MPT, the “efficient frontier” describes portfolios that offer the highest projected returns adjusted for a desired risk/return tradeoff level. “Mean variance optimization” theory is based on the belief that proper diversification and risk management will provide the investor with a more stable and consistent return over time. Furthermore, historically, a properly diversified portfolio, consisting of an appropriate weighting in different asset classes, will generally outperform market capital weighted index investing over time. There is accepted evidence that over rolling time periods across US, Developed and Emerging Markets that this strategy has held up. Journey employs this diversified, long-term, low-cost, asset class weighted buy-and-hold philosophies and approaches in its investment selection, implementation strategies, and recommendations. Past performance is not an indicator nor guarantee of future results.

The practice of MPT does not employ market timing or stock selection methods of investing but rather a long-term buy-and-hold strategy with periodic rebalancing of the account to maintain desired risk levels. Based on academic and empirical evidence, Journey believes that asset class investing, as opposed to stock selection or market timing, offers a greater probability of reaching investing goals for clients interested in building wealth. In addition, Journey recommends that the portfolio allocation be maintained by rebalancing the portfolio at least annually and/or making adjustments, as appropriate.

Journey believes that the appropriate allocation of assets across diverse investment categories (stock vs. bond, foreign vs. domestic, large cap vs. small cap, high quality vs. high-yield, etc.) is the primary determinant of portfolio returns and is critical to the long-term success of a client's financial plan.

For core portfolios, defined by Journey as: the minimum amount of cash, fixed income, and securities required to meet the client's priorities (or “core needs”), Journey encourages clients to invest in the firm's low cost, well diversified managed portfolios (these may have a role alongside cash, fixed income, annuities, etc. in a retirement plan). However, needs for liquidity and future near and intermediate income streams are a major determinant for how much should be invested in securities.

If a client has ample resources to provide beyond their core needs, Journey will take into account the client's goals, total resources available, risk tolerance, time frame for when the funds are required, immediate and near term liquidity needs, tax implications, client sophistication, and values to develop more complex investment recommendations. Journey may refer clients to other specialized money managers for specific expertise.

Journey employs diversified, long-term, low-cost investing strategies for clients who are accumulating assets for retirement. For clients in retirement or with other goals such as educational funding, Journey generally matches the liability dates with appropriate investments that will not risk loss of principal or be subject to excessive volatility. Journey recommends that the client's investment assets be allocated primarily among various no-load and load-waived mutual fund classes, as well as index and exchange traded funds (ETFs), in accordance with the client's investment objectives. For accredited investors, Journey may research and recommend private investments in REITS and LLCs and other money managers, as appropriate.

<sup>2</sup> See Item 15 for the definition of term “custody”.

## Risk of Loss

While Journey believes its investment strategy is designed to potentially produce the highest possible return for a given level of risk, it cannot guarantee that an investment objective or goal will be achieved. Some investment recommendations Journey gives may result in loss, which may include the original principal amount invested. The client must be able to bear the various risks involved in investing, which may include market risk, liquidity risk, interest rate and inflation risk, currency risk or political risk, among others. Examples include:

**Company Risk** – When investing in securities, such as stocks, there is always a certain level of company or industry-specific risk that is inherent in each company or issuer. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. This is also referred to as *unsystematic risk* and can be reduced or mitigated through diversification.

**Equity (Stock) Market Risk** – Common stocks are susceptible to general stock market fluctuations and to volatile increases or decreases in value as market confidence in and perceptions of their issuers change. If an investor held common stock, or common stock equivalents, of any given issuer, Trizic would generally be exposed to greater risk than if Trizic held preferred stocks and debt obligations of the issuer.

**ETF and Mutual Fund Risk** – When an investor purchases an ETF or mutual fund, it will bear additional expenses based on its pro-rated share of the ETF or mutual fund operating expense and certain brokerage fees, which may include the potential duplication of certain fees. The risk of owning an ETF or mutual fund also generally reflects the risks of owning their underlying securities.

**Financial Risk** – Excessive borrowing to finance a business operation increases profitability risk because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

**Firm Research** – When the firm's research and analysis 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 an account.

**Fundamental Analysis** – The challenge involving fundamental analysis is that information obtained may be incorrect; the analysis may not provide an accurate estimate of earnings, which may be the basis for a security's value. If a security's price adjusts rapidly to new information, a fundamental analysis may result in unfavorable performance.

**Inflation Risk** – When any type of inflation is present, a dollar today will not buy as much as a dollar next year because purchasing power is eroding at the rate of inflation.

**Management Risk** – An investment with a firm varies with the success and failure of its investment strategies, research, analysis, and determination of its portfolio. If an investment strategy were not to produce expected returns, the value of the investment would decrease.

**Market Risk** – When the stock market as a whole or an industry as a whole falls, it can cause the prices of individual stocks to fall indiscriminately. This is also called *systemic* or *systematic* risk.

<sup>2</sup> See Item 15 for the definition of term "custody".

**Passive Markets Theory** – A portfolio that employs a passive, efficient markets approach (representative of Modern Portfolio Theory) has the potential risk that at times the broader allocation may generate lower-than-expected returns than those from a specific, more narrowly focused asset, and that the return on each type of asset is a deviation from the average return for the asset class. We believe this variance from the “expected return” is generally low under normal market conditions when a portfolio is made up of diverse, low or non-correlated assets.

**QDI Ratios** – While many ETFs/ETNs and certain mutual funds are known for their potential tax- efficiency and higher “qualified dividend income” (QDI) percentages, there are asset classes within these investment vehicles or holding periods within that may not benefit. Shorter holding periods as well as commodities and currencies (that may be part of an ETF/ETN or mutual fund portfolio) may be considered “non-qualified” under certain tax code provisions. Therefore, the holding’s QDI should be considered if tax-efficiency is an important aspect of the client’s portfolio.

**Technical Analysis** – The risk of investing based on technical analysis is that it may not consistently predict a future price movement; the current price of a security may reflect all known information. Further, a particular change in the market price of a security may follow a random pattern and may not be as predictable as desired.

**Automated Digital Platform** - Additionally, there are certain risks associated with utilizing automated investment tools like the one offered by Journey. The output of the automated investment tool depends upon the accuracy of the information inputted into the tool and the quality of the programming. Journey relies on the software to rebalance and tax harvest and verifies its accuracy but just like human error, software may malfunction. Journey also relies on the advisors to determine the risk tolerance unlike most ‘robo advisor’ services.

## Item 9 – Disciplinary Information

Registered Investment Advisors are required to disclose to clients all material facts regarding any legal or disciplinary events that would be material to the client’s evaluation of Journey or the integrity of Journey’s management.

Journey has never had a legal or disciplinary event.

## Item 10 – Other Financial Industry Activities and Affiliations

### Activities

Journey may from time to time offer general business or consulting services to business owner clients or to other Registered Investment Advisers.

### Affiliations

Journey is an independent, fee-only wealth management firm. The firm is not the employee, independent contractor, or solicitor for any brokerage or investment firm. Clients provide 100% of the firm’s compensation; the firm does not receive commissions or referral fees from any third parties.

Journey may also recommend individuals or entities in the categories listed below. Journey does not receive any compensation for the recommendation or selection of these entities:

Broker-dealer, municipal securities dealer, or government securities dealer or broker

<sup>2</sup> See Item 15 for the definition of term “custody”.

Investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)  
Other investment advisor or financial planner  
Futures commission merchant, commodity pool operator, or commodity trading advisor  
Banking or thrift institution  
Accountant or accounting firm  
Lawyer or law firm  
Insurance company or agency  
Pension consultant  
Real estate broker or dealer  
Sponsor or syndicator of limited partnerships.

Journey is a member of the Financial Planning Association and has been a member since 2007. Margaret (Peggy) McGillin has been a CFP® certificant since March 2010.

## Item 11 – Code of Ethics

### Code of Ethics

Journey adheres to the Certified Planner Board of Standards Code of Ethics for the firm and all employees and associates. The firm has a fiduciary duty to all clients. As a fiduciary, it is Journey's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each client at all times. This fiduciary duty is considered the core underlying principle for Journey's Code of Ethics, which also covers the firm's Insider Trading and Personal Securities Transactions Policies and Procedures. Journey's Code of Ethics is available upon request.

Journey requires all of its supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Journey has the responsibility to make sure that the interests of all clients are placed ahead of Journey's own investment interests. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to any services being conducted. Journey and its supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect Journey's duty of complete loyalty to all clients.

### CFP® Code of Ethics and Professional Responsibility

CFP® designees are also held to a Code of Ethics as outlined by the CFP® Board of Standards and described below.

CFP Board adopted the Code of Ethics to establish the highest principles and standards. These principles are general statements expressing the ethical and professional ideals certifiants and registrants are expected to display in their professional activities. As such, the principles are aspirational in character and provide a source of guidance for certifiants and registrants. The principles form the basis of CFP Board's Rules of Conduct, Practice Standards and Disciplinary Rules, and these documents together reflect CFP Board's recognition of certifiants' and registrants' responsibilities to the public, clients, colleagues and employers.

1. Principle 1 – Integrity: Provide professional services with integrity.

Integrity demands honesty and candor which must not be subordinated to personal gain or advantage.

Certifiants are placed in positions of trust by clients, and the ultimate source of that trust is the certificant's

<sup>2</sup> See Item 15 for the definition of term "custody".

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.

2. Principle 2 – Objectivity: Provide professional services objectively.

Objectivity requires intellectual honesty and impartiality. Regardless of the particular service rendered or the capacity in which a certificant functions, certificants should protect the integrity of their work, maintain objectivity, and avoid subordination of their judgment.

3. Principle 3 – Competence: Maintain the knowledge and skill necessary to provide professional services competently.

Competence means attaining and maintaining an adequate level of knowledge and skill, and application of that knowledge and skill 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. Certificants make a continuing commitment to learning and professional improvement.

4. Principle 4 – Fairness: Be fair and reasonable in all professional relationships; disclose conflicts of interest.

Fairness requires impartiality, intellectual honesty, and disclosure of material conflicts 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 someone would want to be treated.

5. Principle 5 – Confidentiality: 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.

6. Principle 6 – Professionalism: Act in a manner that demonstrates exemplary professional conduct.

Professionalism requires behaving with dignity and courtesy to clients, fellow professionals, and others in business-related activities. Certificants cooperate with fellow certificants to enhance and maintain the profession's public image and improve the quality of services.

7. Principle 7 – Diligence: 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.

## Personal Trading

Journey and its related persons do buy or sell securities similar to those recommended to clients for their accounts. The firm may also make recommendations or take action with respect to investments for its clients that may differ in nature or timing from recommendations made to or actions taken for other clients or its employees. However, at no time will the firm or any related person receive preferential treatment over its clients.

<sup>2</sup> See Item 15 for the definition of term "custody".

In an effort to reduce or eliminate certain conflicts of interest involving personal trading, firm policy may require the utilization of published lists that restrict or prohibit transactions in specific reportable securities transactions. Any exceptions or trading pre-clearance must be approved by the firm's Chief Compliance Officer in advance of the transaction in any related person's account. The firm maintains the required personal securities transaction records per regulation.

## Item 12 – Brokerage Practices

### Factors Used to Select Broker/Dealers for Client Transactions

Journey does not maintain physical custody of client assets. <sup>2</sup>Accounts must be maintained by a qualified custodian that is frequently reviewed for its capabilities to serve in that capacity by their respective industry regulatory authority. Our firm is not a custodian nor is there an affiliate that is a custodian.

When engaged to provide investment management services, Journey will generally require the investor to engage the custodian with whom the firm has established its servicing agreement in support of its model portfolio programs. In doing so, the firm will receive economic benefit in its sharing of asset-based fees; however, there is no direct link between our recommendation that a client use a specific custodian and the investment advice we give our clients. These benefits may include the following products and services (provided either without cost or at a discount):

Receipt of duplicate client statements and confirmations

Research related products and tools

Consulting services

Access to a trading desk serving our clients

The ability to have advisory fees deducted directly from our client's accounts per our written agreement

Access to an electronic communications network for client order entry and account information

Access to mutual funds with no transaction fees, and to certain institutional money managers; and

Discounts on marketing, research, technology, and practice management products or services provided to our firm by third party vendors

A custodian may also pay for business consulting and professional services received by our firm to assist us in managing and administering our client accounts. Some of the products and services may favorably benefit our firm but may not benefit each client account; and they may also indirectly benefit accounts not maintained at a noted custodian. Certain research and other previously referenced services may qualify as "brokerage or research services" under Section 28(e) of the Securities Exchange Act of 1934. The availability of these services benefits our firm because we do not have to produce or purchase them as long as our clients maintain assets in accounts at the referenced firms. There is a conflict of interest since our firm has an incentive to select or recommend a custodian based on our firm's interest in receiving these benefits rather than our clients' interest in receiving favorable trade execution. It is our firm's policy to restrict such non-cash compensation (termed "soft dollars" in certain jurisdictions) to those products or services that enhance our firm's ability to render quality advice and service to all of its clients that utilize the selected service provider.

Although the firm may maintain a majority of its business with the notes entities, it derives no special benefit (any more than any other investment advisor) from doing so, nor does it typically "pay up" to receive these additional services.

<sup>2</sup> See Item 15 for the definition of term "custody".

Journey has determined through its due diligence process that the service providers noted in Item 15 are appropriate to support its program(s) due to what the firm would describe as the industry's "best practices;" combining the elements of low (not necessarily the lowest) transaction costs for the benefit of custody of client's securities, and service to both the client and the firm in its efforts to better serve their account. Such services involve, for example, handling distributions and withdrawals, electronic client statements, among numerous others. Industry fees and schedules periodically change, subsequently transaction fees charged by its service providers may be higher or lower than those charged by others. Journey believes, in good faith, that rates are reasonable in relation to the value of the services received. The fees paid by investors will also comply with the firm's duty to obtain "best execution." In addition, our firm periodically conducts an assessment of each service provider, their range of services and capabilities, as well as reasonableness of fees, in comparison to industry peers.

#### Client Referrals

All compensation paid to the firm is through those fees noted in Item 5. Journey does not receive any additional compensation when its clients engage a recommended service provider.

#### Directed Brokerage

Journey does not require or engage in directed brokerage involving its accounts. The client may direct the firm (in writing) to use another particular broker/dealer to execute some or all transactions for the client's account. In these circumstances, the client is responsible for negotiating, in advance, the terms and/or arrangements for their account with their selected broker/dealer. Our firm will not be obligated to seek better execution services or prices from these other broker/dealers or be able to aggregate client transactions for execution through other custodians with orders for other accounts managed by the firm. As a result, the client may pay higher commissions or other transaction costs, experience greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Pursuant to our firm's obligation to seek best execution, Journey may decline a client's request to direct brokerage if the firm believes any directed brokerage arrangement would result in additional operational difficulties or risk.

#### Trade Aggregation

Our firm does not aggregate (block) trades. Since transactions are completed independently, the client may potentially pay more for a transaction compared to an account where trades have been aggregated. Clients will be informed, in advance, should aggregation practices change.

#### Trade Errors

Journey corrects its trade errors through an account maintained by our custodian, or an account maintained by the sub-advisor and the custodian, the sub-advisor or Journey may be responsible for trading error losses.

<sup>2</sup> See Item 15 for the definition of term "custody".



## Fidelity

Journey uses the services of a sub-advisor for clients whose assets are managed by Journey on the Fidelity Institutional Wealth Advisor Platform. The sub-advisor that Journey uses is OBS Financial Services, Inc. ("OBS"). OBS is a Registered Investment Advisory Firm and is a turnkey asset management program (TAMP) provider available via Fidelity's Institutional Wealth Services (IWS) platform. Our relationship with OBS enables us to access the Fidelity's Institutional Wealth Services (IWS) platform.

For advisory accounts, Journey requires clients who are implementing our sub-advisor models to use Fidelity as their broker-dealer/custodian. Most broker-dealers/custodians require advisors to manage a minimum amount of client assets to have access to the funds or separate accounts and some charge quarterly fees to advisors. Journey has not yet met that threshold. By utilizing OBS Financial Services as a TAMP, Journey is able to access the Fidelity IWS platform. Journey is able to access these funds and similar portfolios through other TAMPs.

## TD Ameritrade

TD Ameritrade, Inc. ("TD Ameritrade") is a member of FINRA/SIPC/NFA. TD Ameritrade is an independent (and unaffiliated) SEC-registered broker-dealer and is utilized by Journey to maintain custody of clients' assets and to effect trades for their accounts. TD Ameritrade provides us with access to their institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors at no charge to them so long as the independent investment advisors maintain a minimum amount of assets with the custodian. TD Ameritrade does not charge separately for custody but is compensated by account holders through commissions or other transaction-related fees for securities trades that are executed by recommended money managers through the custodian or that settle into a custodian account. These benefits include, but are not necessarily limited to: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk; access to block trading which provides the ability to aggregate securities transactions and allocate the appropriate shares to client accounts; the ability to have investment advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; and access to mutual funds that generally require significantly higher minimum initial investments or are generally only available to institutional investors.

## Soft Dollars

Journey does not receive soft dollar benefits from the broker-dealers/custodians to whom clients may be recommended. OBS, as a TAMP outlines the soft dollar benefits in their ADV but any benefit does not influence the selection of custodian. An example of a benefit is having access to the custodian's electronic trading capability.

## Broker-dealer/Custodian Benefits Provided to Advisors

No preference: Journey does not give preference to any Broker-dealer/custodian based on support services. Journey does seek custodians that offer Dimensional Fund Advisors Funds at competitive trading costs to pass on to our clients. Journey also seeks relationships that enable Journey to keep operational costs low.

When advisors, such as Journey, utilize certain broker-dealers/custodians, such as Fidelity, TD Ameritrade, or SSG, the broker-dealer/custodian often provides advisors with certain support services. These support services are described below. Journey may utilize the support services that are available, but Journey does not make any commitment to any

<sup>2</sup> See Item 15 for the definition of term "custody".

broker-dealer/custodian or any entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities, or other investment products.

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Journey may receive from Fidelity, TD Ameritrade, SSG (or another broker-dealer/custodian), without cost (and/or at a discount), support services and/or products, certain of which assist Journey to better monitor and service client accounts maintained at such institutions. The support services provided by a particular broker-dealer/custodian are available to advisors who have assets invested with that broker-dealer/custodian whether an advisor chooses to utilize these services or not.

The support services that may be obtained by an advisor from broker-dealers/custodians may include investment-related research; pricing information and market data; software and other technology that provide access to client account data; compliance and/or practice management-related publications; discounted and/or gratis consulting services; discounted and/or gratis attendance at conferences, meetings, and other educational or social events; marketing support; computer hardware and/or software and/or other products used by the advisor in furtherance of its investment advisory business operations.

As indicated above, certain support services and/or products that may be received from certain broker-dealers/custodians may assist Journey in managing and administering client accounts. Other broker-dealers/custodians do not directly provide such assistance, but Journey may utilize these other broker-dealers/custodians to manage and further develop its business enterprise.

Journey does not receive compensation from broker-dealers/custodians.

### **Item 13 – Review of Accounts**

Clients with an annual wealth management relationship with Journey, including clients of Journey's company retirement advisory service may meet with one of Journey's Certified Financial Planners, as needed. Journey seeks to meet at least annually with these clients to discuss their financial plan, the composition and performance of their assets, and the overall progress in meeting their financial goals. During the year, additional meetings may take place due to changing investment objectives, changing financial circumstances, needed distributions, portfolio rebalancing, mortgage reviews, or other events or needs driven by the client's life stage. Client or Advisor can always request additional meetings.

For Initial Journey Wealth Management clients, the account review is part of the engagement, but the engagement ends with the presentation and delivery of the Initial Plan (or six months after the initial meeting, whichever comes first).

All Annual Wealth Management clients and Company Retirement Plan Advisory clients have access to their accounts online via a third party, independent custodian. Clients have the choice of receiving transaction, monthly, and quarterly statements via the U.S. postal service (USPS) (if using the subadvisor only), email, or online. In addition to transaction and balance reporting, these clients also have access to performance reports online. Journey urges clients to review and compare all statements from custodians and performance reports.

<sup>2</sup> See Item 15 for the definition of term "custody".

## Item 14 – Client Referrals and Other Compensation

Journey does not receive, nor does it pay, any fees for client referrals.

## Item 15 – Custody

Client accounts are generally maintained at Fidelity Institutional Wealth Services or TD Ameritrade. They are not maintained by Journey or a related party. In keeping with the firm's policy of not taking physical custody of client funds or securities, we:

- Restrict the firm and associates from acting as trustee for or having general power of attorney over a client account.
- Are prohibited from having authority to withdraw securities or money from a client account, other than for payment of our advisory fees that is accomplished through a qualified custodian and pursuant a written agreement (termed "constructive custody").
- Do not accept or forward client securities (i.e., stock certificates) erroneously delivered to our advisory firm.
- Will not collect fees of \$1,200 or more for advisory services to be performed six months or more in advance.
- Will not authorize an associate to have knowledge of a client's account access information (i.e., online 401(k), brokerage or bank accounts), even for the convenience or accommodation of the client or their legal agent, if such access would result in having control over the account or its assets.

Clients will be provided transaction confirmations and summary account statements sent directly from their selected service provider, not through Journey. Typically, these statements are provided no less than on a quarterly basis and as account transactions occur. Clients are reminded to inform our firm if they do not receive these statements in a timely fashion. For those accounts that elect to receive electronic statements from the selected service provider, they must ensure they maintain a current electronic mail address with that entity.

Clients may receive periodic reports from Journey that may summarize account performance. Clients are therefore urged to carefully compare their account statements received from the assigned service provider with those performance reports they receive from the firm for accuracy.

Annual Journey Wealth Management clients receive account statements online on demand as well as confirmation for account transactions from their custodian(s) directly. Journey requests that clients who select Fidelity, authorize the custodian to send Journey a copy of their monthly reports directly.

## Item 16 – Investment Discretion

Journey has no discretion or access to make trades in client accounts. While Journey will make investment recommendations from time to time, it is fully within client discretion of whether to accept or reject the recommendations. All movement of assets for account transfers, distributions, and rebalancing are agreed to by the client in writing.

<sup>2</sup> See Item 15 for the definition of term "custody".

## Item 17 – Voting Client Securities

If Journey receives duplicate correspondence relating to the voting of securities, class action litigation, or other corporate actions, we do not forward such correspondence to the account holder address of record nor return it to its originator.

Journey does not vote client proxies nor do we offer guidance on how to vote proxies. The owner of record maintains responsibility for directing the manner in which proxies solicited by issuers of securities beneficially owned by them shall be voted as well as making all other elections relative to mergers, acquisitions, tender offers or other events pertaining to the account holder's investment assets.

Our firm will have no power, authority, responsibility, or obligation to take any action with regard to any claim or potential claim in any bankruptcy proceeding, class action securities litigation or other litigation or proceeding relating to securities held at any time in a account holder account, including, without limitation, to file proofs of claim or other documents related to such proceeding, or to investigate, initiate, supervise or monitor class action or other litigation involving account assets.

## Item 18 – Financial Information

Journey will not take physical custody of client assets. Advisory fee withdrawals must be done through a qualified intermediary (e.g., custodian of record), per prior written agreement, which is termed "constructive custody."

Journey will not collect advisory fees from a client of \$1,200 or more for services to be performed six months or more into the future.

Neither the firm nor its management serve as general partner for a partnership or trustee for a trust in which the firm's advisory clients are either partners of the partnership or beneficiaries of the trust.

The firm and its management do not have a financial condition likely to impair the firm's ability to meet commitments to our clients, nor have they been the subject of a bankruptcy petition at any time.

Due to the nature of our firm's services and operational practices, an audited balance sheet is not required in this brochure.

## Item 19 – Requirements for State-Registered Advisors

This item requires State Registered Investment Advisors to provide clients with certain information or disclosures about the principals and supervised persons of Journey. Please refer to ADV Part 2B for this information.

<sup>2</sup> See Item 15 for the definition of term "custody".

# Journey Financial Planners

A Commonwealth of Massachusetts Registered Investment Adviser

Form ADV Part 2B

Brochure Supplement (Advisory Personnel)

August 1, 2016

747 Main Street Suite 120

Concord, MA 01742

Ph: 978 369-2911

Fax: 978 405-5120

[www.journeyfinancialplanners.com](http://www.journeyfinancialplanners.com)

This brochure supplement provides information about advisory personnel at Journey that supplements the Journey brochure provided to clients. Please contact Peggy McGillin, CFP® at (978) 369-2911 or [peggy@journeyfinancialplanners.com](mailto:peggy@journeyfinancialplanners.com) to request a copy of Journey's Brochure or if there are any questions about the contents of this supplement.

Additional information about Journey's advisory personnel is available on the SEC's [website](#). As of the time of this writing, to access the investment adviser search, users could click on "Investment Adviser Search" in the left column; then select the "Individual" radio button and follow the prompts to search by name or by adviser CRD#.

<sup>2</sup> See Item 15 for the definition of term "custody".

## Margaret (Peggy) M. McGillin, CFP®

Born: 1961

Certified Financial Planner™ Practitioner<sup>1</sup> - 2008

CFP®# 130523 CRD# 5095058

### Education:

Boston University – College of Financial Planning 2007

Leonard N. Stern School of Business, New York University– MBA 1992

Northeastern University - BS Finance and Insurance & International Business 1984

### Business Background:

2008 – Present	Journey Principle (Concord, MA)	Owner & Founder Investment Advisor Representative Financial Planners, Compliance Officer
2007- 2008	Collins Financial Advisors (Melrose, MA)	Financial Planner
2004- 2006	Ray Lucia (Bellevue, WA)	Financial Planner Candidate
2001- 2004	Professional Sabbatical (Bellevue, WA)	Homemaker & Volunteer
2001	Winged Keel Group (New York, NY)	Business Development
2000	Oyster Financial (Littleton, CO; Montclair, NJ)	Vice President
1998 – 1999	Frontline Communications (AMEX:FNT), (Pearl River, NY)	EVP
1995 – 1998	WOWFactor, Inc. (Montclair, NJ)	Founder & President (sold to RNT)
1995	Modem Media (Westport, CT)	Account Director AT&T
1984 – 1994	AT&T (NY & NJ)	Sales & Marketing, Research, Strategy, and Product Mgt.

### Disciplinary Information

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to client's evaluation of each supervised person providing investment advice.

No information is applicable to this Item for Margaret (Peggy) M. McGillin

<sup>2</sup> See Item 15 for the definition of term "custody".

## Other Business Activities

Consulting to Business Owners & Registered Investment Advisors

## Additional Compensation

Margaret (Peggy) M. McGillin's only compensation comes from salary and earnings of Journey. Income of Journey comes directly and solely from clients. No advisor or the firm receives any commissions, referral fees, or any other income from a third party.

## Supervision

Margaret (Peggy) M. McGillin serves in multiple capacities for Journey:

Principal  
Chief Compliance Officer  
Financial Planner  
Investment Adviser Representative (IAR)

Journey's business model is structured, by design, to vastly reduce the opportunity for conflicts of interest to arise. This is made possible through Journey's independence from financial product sales, its transparent fee structure, and investment philosophy. Journey's clients' accounts are held with third party custodians, and Journey never has physical discretionary authority of a client account. The firm recognizes that the lack of segregation of duties may, potentially, create opportunity for conflicts of interest. However, the firm's policies and procedures ensure timely and accurate recordkeeping and supervision, including outsourcing certain functions to qualified entities to assist in these efforts such as bookkeeping and accounting with two different firms.

Questions about Journey, its personnel, services or this document may be directed to Peggy McGillin at (978) 369-2911 or [peggy@journeyfinancialplanners.com](mailto:peggy@journeyfinancialplanners.com).

## Requirements for State-Registered Advisers

This item requires Registered Investment Advisers to provide clients with certain financial information or disclosures about Investment Adviser Representative Margaret (Peggy) M. McGillin.

Margaret (Peggy) M. McGillin Ethics Disclosure:

McGillin has no past, current or pending arbitration settlements  
McGillin has no past, current or pending civil or criminal actions  
McGillin has no past, current or pending personal bankruptcy proceedings

<sup>2</sup> See Item 15 for the definition of term "custody".

## Casey Stratford, CFP®, CFTA

Born: 1975

Certified Financial Planner™ Practitioner<sup>ii</sup> - 2006

CFP®# 85899 CRD# 6386351

### Education:

Boston University – College of Financial Planning 2001

Emory University – ABA Graduate National Trust School 2009

Boston College – BS Economics 1998

### Business Background:

2014 – Present	Journey Financial Planners (Concord, MA)	Director of Wealth Management and Client Service Financial Planner & Investment Advisor Representative
2011 – 2014	BNY Mellon, N.A. (Boston, MA)	Vice President, Team Leader/Senior Relationship Manager, Wealth Management
2003 – 2011	BNY Mellon, N.A. (Boston, MA)	Relationship Manager, Wealth Management
2002 – 2003	BNY Mellon, N.A. (Boston, MA)	Sales Analyst, Wealth Management
2000 – 2002	BNY Mellon, N.A. (Boston, MA)	Assistant Vice President, Senior Financial Analyst, Wealth Management
1998 – 2000	BNY Mellon, N.A. (Boston, MA)	Financial Analyst, Corporate Finance/Accounting

### Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to client's evaluation of each supervised person providing investment advice.

No information is applicable to this Item for Casey Stratford

### Other Business Activities

Consulting to Business Owners & Registered Investment Advisors

<sup>2</sup> See Item 15 for the definition of term "custody".



## Additional Compensation

Casey Stratford's only compensation comes from salary and earnings of Journey. Income of Journey comes directly and solely from clients. No advisor or the firm receives any commissions, referral fees, or any other income from a third party.

## Supervision

Margaret (Peggy) M. McGillin serves in multiple capacities for Journey:

Principal  
Chief Compliance Officer  
Financial Planner  
Investment Adviser Representative (IAR)

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## Requirements for State-Registered Advisers

This item requires Registered Investment Advisers to provide clients with certain financial information or disclosures about Investment Advisor Representative Casey Stratford.

Casey Stratford Ethics Disclosure:

Stratford has no past, current or pending arbitration settlements  
Stratford has no past, current or pending civil or criminal actions  
Stratford has no past, current or pending personal bankruptcy proceedings

<sup>2</sup> See Item 15 for the definition of term "custody".

## Neil P. Collins, CFP®

Born: 1945

Certified Financial Planner™ Practitioner<sup>iii</sup> - 2001

CFP®# 68262 CRD#4574056

### Education:

Financial Planning Program, Boston University, Boston, MA (2000)  
B.S., Management, University of Buffalo, Buffalo, NY (1980)

### Business Background:

#### PROFESSIONAL EXPERIENCE

2015 – Present	Journey Financial Planners (Concord, MA)	Senior Financial Planner & Investment Advisor Representative
2013-2015	The Langtree Group, Inc. (Westminster, MA)	Senior Financial Planner & Investment Advisor Representative
2002-2013	Collins Financial Advisors (Melrose, MA)	Owner, Senior Planner
2000-2002	Mintz Levin Financial Advisors (Boston, MA)	Financial Planner
1987-1999	Journal Transcript Newspapers (Revere, MA)	Owner & President

### Disciplinary Information

Registered investment advisors are required to disclose certain material facts regarding any legal or disciplinary events that would be material to your evaluation of each officer or a supervised person providing investment advice.

Mr. Collins has no such legal or disciplinary events to report.

### Other Business Activities

Mr. Collins is not engaged in any business activities outside of Journey Financial Planners.

### Additional Compensation

Mr. Collins is not compensated for advisory services involving performance-based fees. He is not a senior executive of or insider to an issuer of a security, and neither the firm nor any management person has any relationship or other arrangement with the issuer of any security. Our firm also prohibits employees from accepting or receiving additional economic benefit, such as sales awards or other prizes, for providing advisory services to its clients.

<sup>2</sup> See Item 15 for the definition of term "custody".

## Supervision

Margaret (Peggy) M. McGillin serves in multiple capacities for Journey:

Principal  
Chief Compliance Officer  
Financial Planner  
Investment Adviser Representative (IAR)

Journey's business model is structured, by design, to vastly reduce the opportunity for conflicts of interests to arise. This is made possible through Journey's independence from financial product sales, transparent fee structure, and investment philosophy. Journey's client's accounts are held with third party custodians, and Journey never has physical discretionary authority of a client account. The firm recognizes that the lack of segregation of duties may, potentially, create opportunity for conflicts of interest. However, the firm's policies and procedures ensure timely and accurate recordkeeping and supervision, including outsourcing certain functions to qualified entities to assist in these efforts such as bookkeeping and accounting with two different firms.

Questions about Journey, its personnel, services or this document may be directed to Peggy McGillin at (978) 369-2911 or [peggy@journeyfinancialplanners.com](mailto:peggy@journeyfinancialplanners.com).

## Requirements for State-Registered Advisers

This item requires Registered Investment Advisers to provide clients with certain financial information or disclosures about Investment Advisor Representative Neil P. Collins.

Neil P. Collins Ethics Disclosure:

Collins has no past, current or pending arbitration settlements  
Collins has no past, current or pending civil or criminal actions  
Collins has no past, current or pending personal bankruptcy proceedings

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<sup>i</sup> Effective October 12, 2010, the SEC amended Form ADV, Part 2B to provide that an adviser *may* list any professional designation held by the supervised person but must provide a sufficient explanation of the minimum qualifications required for each designation to allow clients to understand the value of the designation. McGillin received the CFP® designation (Certified Financial Planner) in 2010.

### About the CFP® Certification:

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").

<sup>2</sup> See Item 15 for the definition of term "custody".

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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 62,000 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.

<sup>ii</sup> Effective October 12, 2010, the SEC amended Form ADV, Part 2B to provide that an adviser *may* list any professional designation held by the supervised person but must provide a sufficient explanation of the minimum qualifications required for each designation to allow clients to understand the value of the designation. McGillin received the CFP® designation (Certified Financial Planner) in 2010.

[About the CFP® Certification:](#)

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