



An Illinois Registered Investment Advisor

Keffer Financial Planning  
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## Form ADV Part 2 January 4, 2021

This brochure provides information about the qualifications and business practices of Keffer Financial Planning. If you have any questions about the contents of this brochure, please contact Mr. Keffer at (630) 842-5609.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about Keffer Financial Planning also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Click on the "Investment Adviser Search" link and then search for "Investment Adviser Firm" using the firm's IARD number, 143785.

While the firm and its associates may be registered with the State of Illinois, it does not imply a certain level of skill or training on the part of the firm or its associated personnel.

Item 1 – Cover Page

## **Item 2 - Material Changes**

Pursuant to industry guidance provided by the SEC in their 2010 release (No. IA-3060) and the State of Illinois' concurrence, Keffer Financial Planning has amended its December 13, 2017 Form ADV Part II advisory brochure to this current version. The previous document's content, disclosures, and advisory fees have generally remained the same, except as follows:

- Hourly billing rate updated

During future filings this section of the brochure may address only those material changes that have occurred since the firm's last annual update.

The firm 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. Clients are also able to download this brochure from the SEC's Website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or may contact our firm at (630) 842-5609 to request a copy at any time.

As with all firm 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.

### **Important Information**

Throughout this document, Keffer Financial Planning shall also be referred to as "the firm," "our," "we" or "us." These terms may appear to imply reference to more than one associate, however, they are utilized for the reader's ease of use while reviewing the brochure and is not meant to imply that the firm is larger than it actually may be at the time of publication. The client or prospective client may be also referred to as "you," "your," etc., and refers to a client engagement involving of a single *person* as well as two or more *persons*.

This brochure contains 24 pages and should not be considered complete without all pages.

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## **Item 4 - Advisory Business**

### **Description of Our Advisory Firm**

William H. Keffer is an Illinois-based sole proprietor doing business as Keffer Financial Planning. The firm is not a subsidiary of nor does it control another entity. In addition to our 2007 registration as an investment advisor in Illinois, our firm and its associates may register or meet certain exemptions to registration in other states in which we conduct business. Mr. Keffer, noted in Item 19, is the firm's owner and serves as its designated principal (supervisor).

We hold ourselves to a *fiduciary standard*, which means our firm and any associate will act in the utmost good faith and perform in a manner believed to be in the best interest of our clients. As fiduciaries, we are obligated to put you – *as our client* – first.

### **Description of Advisory Services Offered**

Keffer Financial Planning provides a range of investment advisory solutions to people from all walks of life. Our financial planning services include working with our clients in such areas as cash flow and budgeting, retirement planning, tax planning, risk management, estate planning, or other areas upon your request. We also provide periodic investment advice through consultations that do not include ongoing supervision or management of an investment account (we term *investment consultation*).

To begin, a complimentary interview is conducted by a qualified representative of our firm to determine the scope of services to be provided. During or prior to your first meeting, we will provide you with our current ADV Part 2 brochure that incorporates our privacy policy (see page 8). The firm will also ensure any material conflicts of interest are disclosed regarding our firm and its associates that could be reasonably expected to impair the rendering of unbiased and objective advice.

Should you wish to engage our firm, we must first enter into a written agreement; thereafter, discussion and analysis will be conducted to determine your financial needs, goals, holdings, etc. Depending on the scope of the engagement, we may require current copies of the following documents early in the process:

- Completed Confidential Questionnaires, Budget Data Gathering forms, and risk profile questionnaires;
- Statements for Social Security, pensions, and other forms of retirement income;
- Statements reflecting current investments in retirement and non-retirement accounts;
- Statements, prospectuses and policies for immediate and deferred annuities;
- Statements and policies for insurance providing life, disability or long term care benefits;
- Mortgage and other loan information;
- Tax returns;
- Current financial specifics including W-2s or 1099s;
- Information on current retirement plans and benefits provided by your employer; and,
- Pay statements, employment contracts, and other documents relating to employment income.

It is important that the information and financial statements you provide be accurate. We may, but are not obligated to, verify the information you have provided, which will then be used in the financial planning or investment advisory process.

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

### ***Financial Planning and Investment Consultation Services***

A description of our offered services is provided in the following paragraphs and an estimate of the time needed to complete each service is shown, although the time needed to complete these services may vary depending on the complexity of your engagement. Our services may be broad-based or more narrowly focused as you desire. However, it is our belief that valuable financial advice can generally only be provided with a solid understanding of the broader financial picture. If several or all of the services described are provided together, the total time needed to complete these services may be less than the time it would take to complete each service separately because of the efficiency gained by combining more than one service.

#### ***Cash Flow and Debt Management (4-8 Hours)***

Cash flow and debt management planning involves a review of current cash flow to determine if clients are covering current expenses and obligations and to determine the feasibility of additional savings. Suggestions for budgetary adjustments are offered to bring savings into alignment with objectives. The firm will also evaluate current liabilities for suitability for the stated purpose, tax and/or cost efficiency.

#### ***Risk Management (4-8 Hours)***

Risk management planning analyzes exposure to the major risks of premature death, disability, and the need for long term care. If there is exposure, insurance and non-insurance solutions will be discussed. Plans will suggest amounts, sources, and funding for indicated insurance solutions. The firm does not provide assessment of property and liability risk exposures. The firm does not sell insurance of any sort.

#### ***College Planning (3-6 Hours)***

College planning projects the amount of assets that will be needed to cover college costs and suggests amounts necessary to save or invest now to achieve the client's goals based on client inputs, such as the number of children, ages, types of colleges anticipated and percentage of costs the clients wish to cover. College planning also includes evaluation of pros and cons of various education saving vehicles.

#### ***Retirement Planning (7-15 Hours)***

Retirement planning projects the amount of capital that will be necessary to fund retirement given the clients' target date, desired income, current savings, income sources, and ability to save. If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

#### ***Tax Planning Strategies (3-6 Hours)***

Tax planning in this context means identifying potentially more tax-efficient ways to achieve financial objectives. The most common examples include the situation in which clients are not maximizing their opportunity to save on a tax deferred basis in 401(k) and IRA plans and the "tax-location" of assets. We will also help clients analyze whether Roth or traditional IRAs make more sense for their circumstance.

#### ***Estate Planning (5-10 Hours)***

Your financial plan should be coordinated with your estate plan and vice versa. A financial planner is often in the best position (1) to understand the totality of your resources and obligations, (2) to have analyzed current and expected cash flow needs, (3) to have investigated your investment objectives and risk tolerance, and (4) to have the tools and data to project future net worth and the likelihood of estate taxes.

In reviewing your estate planning documents, the financial planner should not be viewed as second guessing your attorney's work, but rather as supplementing it. Your financial plan may deal with such things as whether loved ones have enough money to meet expenses and the likelihood of federal and or state estate tax. While your financial plan may include general information about estate planning concepts only a licensed attorney can provide specific advice.

#### *Divorce Financial Analysis (10-60 Hours)*

Divorce financial analysis includes gathering and organizing data, preparing budgets, projecting results of various support and asset division proposals, and promoting awareness of financial issues unique to the divorce process. Appropriately trained personnel also serve as the "financial neutral" in collaborative divorce cases.

#### *Investment Consultation (8-20 Hours)*

Asset allocation planning involves an assessment of risk tolerance, time horizon, objectives, and challenges to determine the most appropriate mix of asset classes to meet the client's goals, given the rate of return needed and their risk tolerance. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

#### ***Broad-Based v. Modular Planning***

A broad-based plan involves substantial detail. Therefore, certain variables can affect the cost involved in the development of the plan: the quality of your own records, complexity and number of current investments, diversity of insurance products and employee benefits you currently hold, size of the potential estate, special needs of the client or their dependents, among others. While certain broad-based plans may require 15 or more hours to complete; complex plans may require 50 hours or more. Alternatively and upon your request, we may concentrate on reviewing only a specific area (modular planning), such as college financial planning, investment advice, portfolio allocations, or evaluating the sufficiency of your retirement plan. Note that when these services focus only on certain areas of your interest or need, however, your overall situation or needs may not be fully addressed due to limitations you may have established.

Whether a broad-based or modular plan, we will present you with a summary of our recommendations, guide you in the implementation of some or all of them, and offer periodic reviews thereafter (see Item 13). Unless stated to the contrary in your engagement agreement, upon completion of our presentation or delivery of advice our engagement is typically concluded. You are always encouraged to contact our firm at any time in the future to re-engage our services.

In all instances, you will retain full discretion over all implementation decisions and are free to accept or reject any recommendation we make.

#### ***Educational Workshops***

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

Our workshops are educational in nature and do not involve the sale of insurance or investment products. Information presented will not be based on any one person's need nor do we provide individualized investment advice to attendees during our general sessions.

## **General Information**

We do not provide legal, accounting or insurance services. With your consent, we may work with your other advisors (attorneys, accountant, etc.) to assist with coordination and implementation of accepted strategies. You should be aware that these other advisors will charge you separately for their services and these fees will be in addition to our advisory fees.

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

Except as may otherwise be provided by law, our firm will not be liable to the client, heirs, or assignees for any loss an account may suffer by reason of an investment decision made or other action taken or omitted in good faith by our 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 our adherence to your direction or that of your legal agent; any act or failure to act by a service provider maintaining an account.

Notwithstanding the preceding, nothing within our client agreement is intended to diminish in any way our fiduciary obligation to act in your best interest or in any way limit or waive your rights under federal or state securities laws or the rules promulgated pursuant to those laws.

## **Wrap Fee Programs**

Our firm does not participate in or sponsor wrap fee investment management programs.

## **Client Assets Under Management**

Due to the nature of our advisory services offering, we do not have client assets under our firm's management.

## **Item 5 - Fees and Compensation**

### **Method of Compensation and Fee Schedule**

We are generally engaged for our financial planning and investment consultation services under an hourly fee arrangement. Fees for these services are \$245.00 per hour.

We utilize a Fee Estimation Worksheet which budgets time by function, such as data entry, analysis, writing recommendations, presentation, and so on. In most cases, the fee should not exceed the maximum quoted. However, we reserve the right to bill for additional time needed to complete a project. You will be notified if it appears that the estimated time may be insufficient. The number of hours needed depends on how many of the planning components the client may want and the complexity of their situation.

For example, if clients engage the firm for a broad-based plan, including insurance, college funding, retirement, asset allocation and investment analyses and recommendations, the estimated fee may range from \$2,500 to \$12,000. Note that this total is less than the sum of its parts above, as data entry is done just once. This assumes the clients have a typical number of accounts and positions within each account.

Another example might be the fees for divorce financial analysis and employer retirement plan work that are also based on the hourly model. Typical fees in these areas are \$5,000 to \$20,000.

Please review the various engagements in Item 4 for approximate charges for specific services.



Fees for educational workshops depend on the sponsor. For employers and non-profits groups, the charge will be based on \$245.00 per hour and typically covered by the sponsor. For colleges and park districts, fees will be determined by the community college or park district.

### Negotiable Fees

For all noted forms of advisory engagements with our firm, the services to be provided to you and their specific fees will be detailed in your engagement agreement. Our published fees are negotiable and at the discretion of our firm. We strive to offer fees that are fair and reasonable in light of the experience of the firm and the services to be rendered.

### Client Payment of Fees

Fees for our services may be paid by check or bank draft. We do not accept cash, money orders, or similar forms of payment for our engagements.

Fees are generally due upon your receipt of our invoice, typically immediately upon our presentation of the plan or advice to the client. Engagements that are greater than two months in duration will be billed monthly or quarterly, in arrears.

### Additional Client Fees

Any custodial or transactional fees (sometimes termed *brokerage fees*) assessed by selected service providers, individual retirement account fees, or qualified retirement plan account termination fees will be borne by the accountholder and are per those provided in current, separate fee schedules of any selected service provider. Fees paid by our clients to our firm for our advisory services are separate from any transactional charges a client may pay, as well as those for mutual funds, exchange-traded funds (ETFs), or other investments of this type.

Further information about our fees in relationship to our business practices are noted in Item 12 of this document.

### Charged Prepayment of Client Fees

#### Advance Payment for Certain Services

We may require an initial deposit of up to \$500 or one-half the estimated fee range, whichever is less.

#### Termination of Services

Either party may terminate the agreement at any time, which will typically be in writing. Should you verbally notify our firm of the termination and, if in two business days following this notification we have not received your notice in writing, we will make a written notice of the termination in our records and send you our own termination notice as a substitute.

If you are a new client, you may terminate an agreement with our firm within five business days after the signing of our engagement agreement without penalty or charge. Should you terminate an engagement after this date, you may be invoiced for any time charges incurred by our firm in processing your forms and documents and in preparing your financial plan or investment allocation. In the case of most of our prepaid fees, we will promptly return any unearned amount upon receipt of a written termination notice.

### **External Compensation for the Sale of Securities to Clients**

Our firm and its associates are engaged for fee-only services and we attempt to recommend “no load” investments whenever appropriate. We do not charge or receive a commission or mark-up on your securities transactions, nor will the firm and our associates be paid a commission on your purchase of an insurance contract or securities investment that we recommend.

We do not receive “trailer” or SEC Rule 12b-1 fees from an investment company we may recommend. Fees charged by issuers are detailed in prospectuses or product descriptions and you are encouraged to read these documents before investing. Our firm and its associates receive none of these described or similar fees or charges.

You will always have the option to purchase recommended investments through your selected service provider.

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

Our fees will not be based upon a share of capital gains or capital appreciation (growth) of any portion of managed funds, also known as “performance-based fees.” Performance-based compensation creates an incentive for a firm or their representatives to recommend an investment that may carry a higher degree of risk to a client. We do not use a performance-based fee structure because of the conflict of interest this type of fee structure poses.

Our fees will not be based on side-by-side management, which refers to a firm simultaneously managing accounts that do pay performance-based fees (such as a hedge fund) and those that do not; this type of arrangement, and the conflict of interest it may pose, does not conform to our firm’s practices.

### **Item 7 - Types of Clients**

We provide our advisory services to individuals, trusts, estates and charitable organizations, as well as small businesses and professionals to assist them in meeting their objectives in what we believe to be a cost-effective way. Our ability to provide our services depends on access to important information. Accordingly, it is necessary that you provide us with an adequate level of information and supporting documentation throughout the term of the engagement, including but not limited to source of funds, income levels, your (or your legal agent’s) authority to act on behalf of the account, among other information. This helps us determine the appropriateness of our financial planning or investment strategy for you.

It is also important that you keep us informed on significant changes that may call for an update to your financial and investment plans. Events such as job changes, retirement, a windfall, marriage or divorce, or the purchase or sale of a home or business can have a large impact on your circumstances and needs. We need to be aware of such events, so we can make the adjustments needed to your plan or advice in order to keep you on track toward your goals.

Our firm does not require minimum income levels, minimum level of assets or other conditions for our services. We reserve the right to waive or reduce certain fees based on unique individual circumstances, special arrangements, or pre-existing relationships. We also reserve 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**

### **Methods of Analysis and Investment Strategies**

#### **Method of Analysis**

If we are engaged to provide investment advice, we will first gather and consider several factors, including your:

- current financial situation,
- current and long-term needs,
- investment goals and objectives,
- level of investment knowledge,
- tolerance for risk, and
- restrictions, if any, on the management of your portfolio.

We generally make asset allocation recommendations based upon a range of factors including the client's risk tolerance score on standard questionnaires, liquidity needs, stated reaction to market turbulence, current investment mix, time horizon and overall needs and resources. The client's accounts are reviewed for appropriateness and consolidation of accounts may be recommended to lower costs and to increase efficiency. As previously noted, availability of low-cost, no-load investment alternatives is always a factor.

The firm employs asset allocation models suggested by known and established experts in the field, including but not limited to target portfolios from Money Guide Pro™ financial planning software, Morningstar, Vanguard and others. Once a recommended mix of asset classes has been determined, we develop recommendations for specific investments within each account.

For specific investment advice, the first step is identifying the appropriate vehicle (mutual funds, individual securities, etc.) for the client's situation. Once the investment vehicle is established, the firm uses Morningstar and other data to screen among the many alternatives for the most appropriate solution for that client. Among other criteria, the firm will consider an investment's fit within the target allocation, style discipline, expenses, risk, and long term performance relative to its peers.

We make asset allocation and investment policy decisions based on the above-noted elements and any other reasonable requirements you may prescribe. We will discuss with you how, in our best judgment, to meet your objectives while at the same time seeking a prudent level of risk exposure.

#### **Investment Strategies**

We do not engage in market timing or the selection of individual equities. We favor a long-term, buy and hold strategy with periodic rebalancing of the portfolio among asset classes. Our firm believes asset allocation is a key component of investment portfolio design, and 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 critical in the long-term successful achievement of financial objectives.

### **Investment Strategy and Method of Analysis Material Risks**

#### **Investment Strategy Risks**

We believe our strategies and investment recommendations are designed to produce the appropriate potential return for the given level of risk; however, we cannot guarantee that an investment objective or

planning goal will be achieved. As an investor you must be able to bear the risk of loss that is associated with your account, which may include the loss of some or all of your principal. In general, risks regarding markets include interest rate, company, and management risk, among others. Examples include:

**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.

**Company Risk** – When investing in securities, there is always a certain level of company or industry-specific risk that is inherent in each company or issuer. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. 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.

**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.

**Firm Research** – When the firm’s research and analyses are based on commercially available software, rating services, general market and financial information, or due diligence reviews, the firm is relying on the accuracy and validity of the information or capabilities 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 predict the outcome of 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 on or investment management of an account.

#### **Security-Specific Material Risks**

**ETF and Mutual Fund Risk** – ETFs or mutual funds may carry additional expenses based on their share of operating expenses and certain brokerage fees, which may result in the potential duplication of certain fees. The risk of owning an ETF or mutual fund also generally reflects the risks of their underlying securities.

**Fixed Income Risks** – Various forms of fixed income instruments, such as bonds, money market funds, bond funds, and certificates of deposit, may be affected by various forms of risk, including:

**Interest Rate Risk** – This is the risk that the value of the fixed income holding will decrease because of an increase in interest rates.

**Liquidity Risk** – This is the inability to readily buy or sell an investment for a price close to the true underlying value of the asset due to a lack of buyers or sellers. While certain types of fixed income are generally liquid (i.e., bonds), there are risks which may occur such as when an issue trading in any given period does not readily support buys and sells at an efficient price. Conversely, when trading volume is high, there is also a risk of not being able to purchase a particular issue at the desired price.

**Credit Risk** - The potential risk that an issuer would be unable to pay scheduled interest or repay principal at maturity, sometimes referred to as “default risk.” Credit risk may also occur when an issuer’s ability to make payments of principal and interest when due is interrupted. This may result in a negative impact on all forms of debt instruments, as well as funds or ETF share values that hold these issues. Bondholders are creditors of an issuer and have priority access to assets before equity holders (i.e., stockholders) when receiving a payout from liquidation or restructuring. When defaults occur due to bankruptcy, the type of bond held will determine seniority of payment.

**Reinvestment Risk** – With declining interest rates, investors may have to reinvest interest income or principal at a lower rate.

**Duration Risk** - Duration is a measure of a bond’s volatility, expressed in years to be repaid by its internal cash flow (interest payments). Bonds with longer durations carry more risk and have higher price volatility than bonds with shorter durations.

**Index Investing** – ETFs and indexed funds have the potential to be affected by “active risk” or “tracking error risk,” which might be defined as a deviation from the stated benchmark. Since the core portfolio may attempt to closely replicate a stated benchmark, the source of the tracking error or deviation may come from a satellite portfolio or position, or from a “sample” or “optimized” index fund or ETF that may not as closely align with the stated benchmark. In these instances, the firm may choose to reduce the weighting of a satellite holding, utilize very active satellites, or use a “replicate index” position as part of its core holdings to minimize the effects of the tracking error in relation to the overall portfolio.

**QDI Ratios** – While many ETFs and index 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 or mutual fund portfolio), may be considered “non-qualified” under certain tax code provisions. We consider a holding’s QDI when tax-efficiency is an important aspect of the client’s portfolio.

#### **Item 9 - Disciplinary Information**

Neither the firm nor its management has been involved in a material criminal or civil action in a domestic, foreign or military jurisdiction, an administrative enforcement action, or self-regulatory organization proceeding that would reflect poorly upon our firm’s advisory business or the integrity of our firm.

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

##### **Broker-Dealer or Representative Registration**

Neither the firm nor a member of firm management is registered, nor do they have an application pending to register, as a broker/dealer or a registered representative of a Financial Industry Regulatory Authority (FINRA) or National Futures Association (NFA) broker/dealer.

##### **Futures or Commodity Registration**

Neither Keffer Financial Planning, nor a member of firm management, is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

##### **Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

Our policies require our firm and its associates to conduct business activities in a manner that avoids actual or potential conflicts of interest between the firm, its employees and clients, or that may be contrary to law. We will provide disclosure to each client prior to and throughout the term of an engagement regarding any conflicts of interest which might reasonably compromise our impartiality or independence.

Neither Keffer Financial Planning, nor a member of our firm’s management, is or has a material relationship with any of the following types of entities:

- municipal securities dealer, or government securities dealer or broker;
- 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; or
- 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).

Upon your request, we may provide referrals to various professionals, such as an attorney or accountant. We do not have an agreement with or receive fees from these professionals for these informal referrals. Any fees charged by these other entities for their services are completely separate from fees charged by our firm.

Mr. Keffer is a member of the Garrett Planning Network, Inc., an international organization that assists financial planners in fee-only, financial planning practices. The Garrett Planning Network is not, nor thinks it is required to be, a registered financial industry participant. The firm pays an annual membership fee to the Garrett Planning Network for services that include their hosting training, compliance and operational support to enhance the firm’s ability to provide quality service and advice to the investing public.

Investment advisor representatives of the firm may hold individual membership or serve on boards or committees of professional industry associations such as the National Association of Personal Financial Advisors (NAPFA), or the Certified Financial Planner Board of Standards, Inc. Generally, participation in any of these entities require membership fees to be paid, adherence to ethical guidelines, as well as in meeting experiential and educational requirements.

### **Recommendation or Selection of Other Investment Advisors and Conflicts of Interest**

Should we ever provide you with a recommendation to an unaffiliated registered investment advisor to manage your portfolio, we will first ensure we have conducted what we believe is an appropriate level of due diligence on the recommended third party advisor, to include ensuring their firm is appropriately registered or notice-filed within your jurisdiction. Please note that we are not paid for this referral nor do we share in any fees these firms may receive in managing your investment account.

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

#### **Code of Ethics Description**

We have adopted a Code of Ethics that establishes policies for ethical conduct for all our personnel. Our firm accepts the obligation not only to comply with all applicable laws and regulations but also to act in an ethical and professionally responsible manner in all professional services and activities. Our policies include prohibitions against insider trading and the circulation of industry rumors, among others.

Associates of the firm who are CERTIFIED FINANCIAL PLANNERS™ Professionals adhere to the Certified Financial Planner Board of Standards, Inc.'s Code of Ethics. These principles include:

***Principle 1 – Integrity***

An advisor will provide professional services with integrity. Integrity demands honesty and candor which must not be subordinated to personal gain or advantage.

Advisors are placed by clients in positions of trust and the ultimate source of that trust is the advisor's personal integrity. Allowance can be made for innocent error and legitimate differences of opinion, but integrity cannot co-exist with deceit or subordination of one's principles.

***Principle 2 – Objectivity***

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

***Principle 3 – Competence***

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

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

***Principle 4 – Fairness***

Advisors will be fair and reasonable in all professional relationships. Fairness requires impartiality, intellectual honesty and disclosure of material conflict(s) of interest. It involves a subordination of one's own feelings, prejudices and desires so as to achieve a proper balance of conflicting interests.

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

***Principle 5 – Confidentiality***

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

***Principle 6 – Professionalism***

Advisors will act in a manner that demonstrates exemplary professional conduct.

Professionalism requires behaving with dignity and courtesy to all who use their services, fellow professionals, and those in related professions. Advisors cooperate with fellow advisors to enhance and maintain the profession's public image and improve the quality of services.

### ***Principle 7 – Diligence***

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

The firm and its investment advisor representatives also adhere to the ***Fiduciary Oath*** developed by NAPFA that states:

*The advisor shall exercise his/her best efforts to act in good faith and in the best interests of the client.*

*The advisor shall provide written disclosure to the client prior to the engagement of the advisor, and thereafter throughout the term of the engagement, of any conflicts of interest, which will or reasonably may compromise the impartiality or independence of the advisor.*

*The advisor, or any party in which the advisor has a financial interest, does not receive any compensation or other remuneration that is contingent on any client's purchase or sale of a financial product.*

*The advisor does not receive a fee or other compensation from another party based on the referral of a client or the client's business.*

*Following the NAPFA **Fiduciary Oath** means I shall:*

- *Always act in good faith and with candor*
- *Be proactive in disclosing any conflicts of interest that may impact a client*
- *Not accept any referral fees or compensation contingent upon the purchase or sale of a financial product.*

All material conflicts of interest are disclosed to clients prior to and throughout the term of an engagement that will or may reasonably compromise the firm's impartiality or independence.

The firm will review and amend its Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually.

Our firm will provide a copy of its Code of Ethics to any client or prospective client upon request.

### Privacy Policy Statement

We respect the privacy of all our clients and prospective clients, both past and present. We recognize that you have entrusted us with non-public personal information and it is important to us that all employees and clients of our firm know our policy concerning what we do with that information.

We collect personal information about our clients from the following sources:

- Information our clients provide to us to complete their financial plan or investment recommendation;
- Information our clients provide to us in agreements, account applications, and other documents completed in connection with the opening and maintenance of their accounts;



- Information our clients provide to us verbally; and
- Information we may receive from service providers, such as custodians, about client transactions.

We do not disclose non-public personal information about our clients to anyone, except in the following circumstances:

- When required to provide services our clients have requested;
- When our clients have specifically authorized us to do so;
- When required during the course of a firm assessment (i.e., independent audit); or
- When permitted or required by law (i.e., periodic regulatory examination).

Within our firm, we restrict access to client information to staff that need to know that information. All personnel and our service providers understand that everything handled in our offices are confidential and they are instructed to not discuss client information with someone else that may request information about an account unless they are specifically authorized in writing by the client to do so. This includes, for example, providing information about a spouse's IRA account, or to adult children about parents' accounts, etc.

To ensure security and confidentiality, we maintain physical, electronic, and procedural safeguards to protect the privacy of client information. Limited non-public personal information is entered into established online financial planning software programs which are basic tools in the financial planning process. The information includes names, dates of birth, and account descriptions and balances. Data entries do not include Social Security numbers or complete account numbers. Currently, these online services include *Money Guide Pro*® financial planning software, Morningstar *Advisor Work Station*<sup>SM</sup> investment research solution, and *Egnyte* cloud-based file synchronization and sharing software. Descriptions of these firms' data security and privacy policies are available on request.

We will provide you with our privacy policy on an annual basis per federal law and at any time, in advance, if our policy is expected to change.

#### **Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest**

Neither our firm nor its associates are authorized to recommend to a client, or effect a transaction for a client, involving any security in which our firm or a "related person" (associates, their immediate family members, etc.) has a material financial interest, such as in the capacity as an underwriter, advisor to the issuer, etc.

Our employees are prohibited from borrowing from or lending to a client unless the client is an approved financial institution.

Our firm is able to provide a range of services to you and all of our clients, including financial planning and investment consultation services and we will be paid a fee for each of these services. Due to our firm's ability to offer two or more of these services and possibly receive a fee for each engagement, a potential conflict of interest may exist. Therefore, we note that you are under no obligation to act on our recommendations and, if you elect to do so, you are under no obligation to complete all of them through our firm or our recommended service providers.

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

Our firm does not trade for its own account (e.g., proprietary trading). A related person may buy or sell securities for their own account that are the same as, similar to, or different than those we recommend to clients. A recommendation made to one client may be different in nature or in timing from a recommendation made to a different client. At no time, however, will a related person receive preferential treatment over our clients.

In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading (such as trading ahead of a client's order), our policy may require that we restrict or prohibit associates' transactions in specific securities transactions. Any exceptions or trading pre-clearance must be approved by our firm principal in advance of the transaction in an account, and we maintain all required personal securities transaction records.

### **Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

Please see our response immediately above.

### **Item 12 - Brokerage Practices**

#### **Factors Used to Select Broker-Dealers for Client Transactions**

Keffer Financial Planning does not maintain custody of any of your assets (see Item 15). Your assets must be maintained in an account at a "qualified custodian" (generally a broker/dealer or bank) that is frequently assessed for its capabilities to serve as a custodian by their respective industry regulatory authority. Our firm is not a custodian nor do we have an affiliate that is a custodian.

When engaged to provide investment consultation services, we may recommend the service provider with whom your assets are currently maintained. Should you prefer a new service provider, our recommendation of another service provider would be based on your needs, overall cost, and ease of use.

#### **Client Referrals**

It is our policy to limit non-cash compensation (termed "soft dollars" in certain jurisdictions) that we may receive from any provider to those services that enhance our ability to equally serve our clients, and we will not "pay up" to receive additional services from a service provider.

#### **Best Execution**

In light of the nature of our advisory services, we do not believe we are obligated to conduct "best execution" assessments of client transactions under current guidelines. We will periodically conduct a review of any provider we recommend to assess their range of services and capabilities, reasonableness of fees, among other items, in comparison to industry peers.

#### **Directed Brokerage**

We do not require or engage in directed brokerage involving client accounts. Our clients are free to use any particular service provider to execute their transactions and they are responsible for negotiating any terms or arrangements for their account. We will not be obligated to conduct due diligence of the client's selected service provider, seek better execution services or prices from any provider, or aggregate client transactions for trade execution.

#### **Aggregating Securities Transactions for Client Accounts**

Our firm is not engaged for continuous investment supervisory or investment management services and therefore does not aggregate trades on behalf of client accounts. Since your transactions may be completed independently at a service provider of your choice, you may potentially pay more for your transaction than those accounts where trades have been aggregated.

### **Item 13 - Review of Accounts**

#### **Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved**

Periodic financial check-ups or reviews are recommended if you are receiving our financial planning and investment consultation services, and we recommend that they occur at least on an annual basis whenever practical. We encourage you to schedule these meetings in advance or we may contact you to determine an appropriate date to schedule the review.

Reviews will be conducted by your selected financial planner and normally involve analysis and possible revision of your previous financial plan or investment allocation.

Reviews are generally conducted under the terms of our original Consulting Services Agreement unless the Agreement is replaced or amended by mutual agreement and will be assessed at our published rate.

#### **Review of Client Accounts on Non-Periodic Basis**

You are free to contact our firm for additional reviews when there are material changes that occur in your financial situation (i.e., loss of a job, early retirement, receipt of a significant bonus, an inheritance, the birth of a new child, or other circumstances).

Non-periodic reviews are generally conducted under the terms of our original Consulting Services Agreement unless the Agreement is replaced or amended by mutual agreement and will be assessed at our published rate.

#### **Content of Client Provided Reports and Frequency**

If you have opened and maintained an investment account on your own or with our assistance, you will receive account statements sent directly from mutual fund companies, transfer agents, custodians or brokerage companies where your investments are held. We urge you to carefully review these statements for accuracy and clarity, and to ask questions when something is not clear.

We may provide portfolio reports if we are engaged to provide periodic asset allocation or investment advice; however, we do not provide ongoing performance reporting under our financial planning and investment consultation services engagements. Clients are urged to carefully review and compare account statements that they have received directly from their service provider with any report received from our firm.

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

#### **Economic Benefits Provided to the Advisory Firm From External Sources and Conflicts of Interest**

We do not engage in solicitation activities as defined by statute. All compensation paid to our firm is paid directly by our clients through financial planning and investment consultation services fees; we do not receive additional compensation when our clients engage a recommended service provider.

### **Advisory Firm Payments for Client Referrals**

Investment advisor representatives of our firm may hold individual membership or serve on boards or committees of professional industry associations. Generally, participation in any of these entities requires membership fees to be paid. A benefit these entities may provide to the investing public is the availability of online search tools that allow interested parties (prospective clients) to search for individual participants within a selected state or region. These passive websites may provide means for interested persons to contact a participant via electronic mail, telephone number, or other contact information, in order to interview the participating member. The public may also choose to telephone association staff to inquire about an individual within their area, and would receive the same or similar information. A portion of these participant's membership fees may be used so that their name will be listed in some or all of these entities' websites (or other listings).

Prospective clients locating our firm or one of our associates via these methods are not actively marketed by the noted associations. Clients who find us in this way do not pay more for their services than clients referred to us in another fashion, such as by another client. We do not pay these entities for prospective client referrals, nor is there a fee-sharing arrangement reflective of a solicitor engagement.

### **Item 15 - Custody**

Your funds and securities will be maintained by an unaffiliated, qualified custodian, such as a bank, broker/dealer, mutual fund company, or transfer agent. Your assets are not held by our firm or any of our associates. In keeping with our policy of not having custody of our client funds or securities, we:

- Restrict our firm and associates from serving as trustee or having full power of attorney over a client account.
- Are prohibited from having authority to withdraw securities or cash assets from a client account.
- Do not accept or forward client securities (i.e., stock certificates) erroneously delivered to our firm.
- Will not collect advance fees of \$500 or more for services that are to be performed six months or more into the future.
- Will not authorize any 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.

You will be provided with transaction confirmations and summary account statements provided directly to you by your selected service provider. Typically, these statements are provided on a monthly or quarterly basis, or as transactions occur. We will not create a statement for you nor be the sole recipient of account statements.

You may receive periodic reports from our firm that may include investment performance information. You are urged to carefully review and compare your account statements that you have received directly from your service provider with any report you receive from our firm.

### **Item 16 - Investment Discretion**

We do not allow our associates to act with discretionary authority within a client account. Should we be asked by you to assist in any trade execution (including account rebalancing) on your behalf, we will only do

so with your selected service provider and with your prior approval, termed in the securities industry as non-discretionary authority.

### **Item 17 - Voting Client Securities**

#### **Proxy Voting**

Our firm does not vote proxies on your behalf nor do we offer guidance on how to vote proxies. You will maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities that are beneficially owned by you shall be voted, as well as making all other elections relative to mergers, acquisitions, tender offers or other events pertaining to your holdings.

#### **Other Corporate Actions**

We 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 client 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 client assets.

#### **Receipt of Materials**

You may receive proxies or other similar solicitations sent directly from your selected custodian or transfer agent. Should we receive a duplicate copy, note that we do not generally forward these or any correspondence relating to the voting of your securities, class action litigation, or other corporate actions.

### **Item 18 - Financial Information**

#### **Balance Sheet**

Our firm will not have custody of your assets, this includes our not collecting fees from you of \$500 or more for services we will perform six months or more in advance. We do not withdraw our fees from your bank account or investment account.

Due to the nature of our firm's services and operational practices, an audited balance sheet is not required nor included in this brochure.

#### **Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

The firm and its management do not have a financial condition likely to impair our ability to meet our commitment to our clients.

#### **Bankruptcy Petitions during the Past 10 Years**

The firm and its management have not been the subject of a bankruptcy petition at any time during the past 10 years.

### **Item 19 - Requirements for State-Registered Advisors**

#### **Principal Executive Officers and Management Persons**

##### **Proprietor/Designated Principal (Supervisor)/Investment Advisor Representative**

***William Hilary Keffer***

Year of Birth: 1952

CRD # 4925165

## Educational Background and Business Experience

### *Educational Background*

Master of Science in Personal Financial Planning, College for Financial Planning, Denver, CO (2019)

Master's in Business Administration in Finance, St. Joseph's University; Philadelphia, PA (1991)

Bachelor of Arts in English, Dickinson College; Carlisle, PA (1975)

CERTIFIED FINANCIAL PLANNER™ Professional<sup>1</sup>, Certified Financial Planner Board of Standards, Inc. (2008)

Certified Divorce Financial Analyst™ (CDFA™)<sup>2</sup>, Institute for Divorce Financial Analysts; Southfield, MI, (2008)

CFP® Certification Professional Education Program, College for Financial Planning; Denver, CO, (2004)

Chartered Financial Consultant® (ChFC®)<sup>3</sup>, The American College®; Bryn Mawr, PA (1995)

Chartered Life Underwriter® (CLU®)<sup>4</sup>, The American College®, Bryn Mawr, PA (1994)

### *Business Experience*

2007-Present: Keffer Financial Planning - Principal

2005-2007: Smith Barney - Financial Advisor

2004: WHK Consulting - Principal

2002-2004: North American Company for Life and Health Insurance - Vice President

1976-2002: AIG American General (All immediately below with the same company through mergers)

(1998-2002) AIG/American General Bancassurance Services - Senior Vice President

(1995-1998) USLIFE Agency Services/USLIFE Credit Life Insurance Company

Senior Vice President, Chief Marketing Officer and Product Manager

(1985-1995) USLIFE Agency Services, Inc. - Vice President

(1984-1985) American Health and Life Insurance Co. - Director of Sales (year away from USLIFE)

(1976-1984) Security of America Life Insurance Company - Field Vice President

1976: Fidelity Union Life Insurance Company - Agent

## Disciplinary Information

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this section. There are no criminal or civil actions, administrative enforcement proceedings, self-regulatory organization enforcement proceedings or any other proceedings applicable to Keffer Financial Planning or Mr. Keffer.

## Other Business Activities

Mr. Keffer is not engaged in a reportable outside business activity.

## Additional Compensation

Mr. Keffer is not compensated for advisory services involving performance-based fees. He is not a senior executive of or insiders to an issuer of a security. Our firm prohibits employees from accepting or receiving additional economic benefits, such as sales awards or other prizes, for providing advisory services to our clients.

Mr. Keffer is not registered nor has an application pending to register as a registered representative of a broker/dealer or to serve as an associated person of a futures commission merchant, commodity pool operator, or commodity trading advisor. Therefore, he does not receive commissions, bonuses or other compensation based on the sale of securities or other investment products, including that as a registered representative of a broker/dealer, and including distribution or service ("trail") fees from the sale of mutual funds.

### **Supervision**

Mr. Keffer serves in multiple capacities for Keffer Financial Planning: proprietor, firm principal (supervisor), financial planner and investment advisor representative. It is recognized that there is an inability to segregate certain duties and that this may potentially create a conflict of interest. However, the firm employs procedures to ensure timely and accurate recordkeeping and supervision, including outsourcing certain functions to qualified entities to assist in these efforts when necessary.

Questions relative to the firm, its services or this ADV Part 2 may be made to the attention of Mr. Keffer at (630) 842-5609.

Additional information about the firm, other advisory firms, or an associated investment advisor representative, including Mr. Keffer, is available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). A search of this site for firms may be accomplished by firm name or a unique firm identifier, known as an IARD number. The IARD number for Keffer Financial Planning is 143785.

The business and disciplinary history, if any, of an investment advisory firm and its representatives may also be obtained by calling the Illinois Securities Department at (800) 628-7937.

### **Requirements for State-Registered Advisors**

There have been neither arbitration awards nor any awards where the firm or Mr. Keffer has been found liable in any civil, self-regulatory or administrative proceeding; the firm and Mr. Keffer has not been the subject of a bankruptcy petition.

<sup>1</sup>The **CERTIFIED FINANCIAL PLANNER™, CFP®** and federally registered CFP (with flame design) marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 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>2</sup>The **Certified Divorce Financial Analyst™** (CDFA™) is offered through The Institute of Divorce Financial Analysts and requires two years of financial services industry experience, the completion of a self-study course and computer-based examination. Every two years, designation holders must complete 20 hours of continuing education and pay requisite fees to retain the CDFATM designation.

<sup>3</sup>The **Chartered Financial Consultant® (ChFC®)** designation has been a mark of excellence for almost 30 years and currently requires nine college-level courses, the most of any financial planning credential. Average study time to earn the ChFC® exceeds 450 hours. Required courses cover extensive education and application training in financial planning, income taxation, investments, and estate and retirement planning. Additional electives are chosen from such topics as macroeconomics, financial decisions for retirement, and executive compensation. ChFC® designees must meet experience requirements and adhere to continuing education and ethical standards. The credential is awarded by The American College®, a non-profit educator with an 84-year heritage and the highest level of academic accreditation.

<sup>4</sup>The **Chartered Life Underwriter® (CLU®)**. For 85 years the CLU® has been the respected risk management credential for advisors. Designees have completed eight or more college-level courses representing an average study time of 400 hours. Topics for required courses include insurance and financial planning, life insurance law, estate planning, and planning for business owners and professionals. Elective courses include such advanced topics as income taxes, group benefits, retirement planning, and health insurance. CLU® designees must meet experience and continuing education requirements and must adhere to a high ethical standard. The mark is awarded by The American College®, a non-profit educator with the top level of academic accreditation.