

TIME  
MONEY  
SKILL  
IMAGINATION  
EXPERIENCE  
PASSION  
RELATIONSHIP  
INTEGRITY

Financial  
Vision

# FINANCIAL VISION

## REGISTERED INVESTMENT ADVISOR

**F**inancial Vision LLC is a Registered Investment Advisor. We provide comprehensive wealthcare services that integrate your core values and your resources so you can prosper in all areas of your life. We are committed to ensuring that the things that are significant to you are expressed in the goals you set. We will help you see how each decision you make will affect the other areas of your life, develop a coordinated plan to help you reach your goals, and advise you when course corrections should be made.

Instead of being project-oriented, we use a relational approach in addressing financial issues – cash flow, tax issues, investments, asset protection, estate planning, real estate, and any other areas in which money plays a part. This perspective offers greater clarity in the decision-making process.

Financial Vision is an independent financial advisory firm that does not sell investment products. Our advice is objective and there are no undisclosed conflicts of interest. We charge fees either as a retainer or on an hourly basis.

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## SERVICES

**F**inancial Vision acts as a client's representative in managing projects, making arrangements for services provided by other advisors, taking care of administrative tasks, and monitoring progress toward goals. In addition, we offer expert counsel on both general and specific financial issues, with the areas most commonly addressed described below.

### COACHING/COUNSELING

Our client meetings are designed to help you identify your values, goals, and priorities, and how they relate to money. They focus on exploring what matters most to you, your priorities, opportunities and obstacles, and identifying what is meaningful to you. We provide support in decision-making along with research, analysis, and help with prioritization.

### SCENARIO PLANNING

Whether you're assessing the ways of paying for a child's college education, wondering how to shape your future life, or trying to choose among different uses for the same pot of money, scenario planning will provide you with the tools to assess each potential choice. Scenario planning shows the likely outcome of specific approaches toward the future you desire. It is designed to give you an overview to help you make decisions about your priorities and the resources needed to achieve your goals.

### CASH FLOW SERVICES

Cash Flow Organization addresses the issues of organizing and monitoring your cash flow. Detailed cash flow projections are made taking into account potential sources of future income, company retirement plan options and best strategies for maximizing assets used for future needs.

### TAX PLANNING

The potential tax effect is taken into consideration when each of the other areas of a client's finances is addressed.

### PORTFOLIO ANALYSIS & RECOMMENDATIONS

This service consists of analysis and recommendations regarding any or all of the following aspects of investing:

- Existing Investments
- Portfolio Objectives
- Asset Allocation
- Risk Reduction
- Tax Implications
- Cash Distributions

This service is suitable for individuals who want clarity in their investment strategy and would like to evaluate their current portfolio in light of their own needs and goals. Financial Vision also manages investment portfolios, which service is described on page 4.

### ESTATE PLANNING

Estate planning involves the creation of a plan that addresses both financial assets and personal values in leaving a legacy. Areas covered include:

- ✚ Identifying family relationships and personal needs
- ✚ Methods of inheritance equalization
- ✚ Use of charitable giving
- ✚ Tax reduction strategies

We give special attention to the legacy you want to leave – your values and concerns, and how to express them in a positive and helpful way.

## ● TRUST CONSULTING

Trustees are held to a higher standard of integrity and responsibility in handling trust assets than in handling their own assets. In addition many trustees do not realize that when they accept the responsibilities of being a trustee, they may also be accepting a degree of risk related to actions or inactions on their part. If a trustee's imprudent or negligent action results in a loss to a beneficiary, the trustee may have to personally pay back the loss. Consequently the following services are offered:

- ✚ Training on the duties of a trustee
- ✚ Processing of trust disbursements
- ✚ Monthly reconciliation of accounts
- ✚ Annual preparation of necessary data for tax preparer

This service is suitable for existing trustees or those contemplating becoming a trustee.

## ● TRUSTEE SERVICES

Marcee Yager acts as Trustee for a small number of clients' irrevocable trusts. In such instances, Marcee manages the trust assets and an independent representative monitors all trust transactions. In no circumstances are trustee fees based on the value of the assets in the trust.

## ● BUSINESS CONSULTING

A family business has a huge impact on the business owner's family, and on every aspect of their lives, both inside and outside the business. We offer help in the following areas to businesses:

- ✚ Business systems
- ✚ Governance issues
- ✚ Defining vision
- ✚ Business plan development/review/revision
- ✚ Partnership and family relationship issues

## ● PORTFOLIO SUPERVISION

In addition to the Portfolio Analysis above, portfolio supervision is offered to clients who prefer to leave the day-to-day decisions to us regarding the selection of specific investments and the amount and timing of purchases and sales. We take special care to consider the following factors when managing client portfolios:

- ✚ Management of cash flows (for clients who rely on their investments for income or large purchases)
- ✚ Limitation of taxable events, especially relating to the sale of assets with a low cost basis

We develop and maintain portfolios to deliver as little risk as we can obtain for a given strategy.

## INVESTMENT STRATEGY

We supervise portfolios using the principle of diversification by allocating portfolio assets among various categories. Our strategy is to hold assets for the long term, keeping turnover low to reduce the effect of taxes on a client's portfolio. These principles provide increased stability of principal. Our primary concern is to develop investment strategies which have lower than average risk for a given level of return. We believe

that enhanced returns can be obtained by adjusting the portfolio's allocations in keeping with economic changes. We choose assets for your portfolio based on your needs. Our choices are affected by:

- ✚ Economic conditions
- ✚ Your liquidity needs
- ✚ The proposed investment period
- ✚ The need for diversification
- ✚ The importance of current income
- ✚ Your desire to take or avoid risks
- ✚ Your present and anticipated tax situation
- ✚ The investment's historical yield, potential appreciation, and marketability

Based on your stated objectives and the investment requirements, strategies are developed to reach those objectives. The focus is on long-term planning. We recommend and manage many types of assets, including mutual fund shares, stocks, bonds (including tax exempt/municipals), U.S. Government securities, and fixed and variable annuities. We can advise you about a variety of qualified retirement plans such as IRAs, SEPs, Profit Sharing Plans, Keoghs (money purchase plans), TSAs (403b plans), and 401k plans. We also can advise you on nonqualified tax-deferred plans. The process we use in making investment choices includes looking at markets and industries using both fundamental and cyclical analysis. Our information is gathered from a variety of sources, including research organizations, professional publications, and mutual fund and corporate rating services.

#### **PORTFOLIO REVIEW**

Marcee Yager is the Chief Investment Strategist of Financial Vision, LLC. She has strategic oversight of all clients' portfolios. She is also responsible for the maintenance of clients' portfolios. Marcee reviews portfolios and places trades for all clients. The portfolio review process that she uses is as follows:

- ✚ Once a month, all accounts are reviewed to ensure that sufficient cash is available in each account for any expected disbursements.
- ✚ Client portfolios are assigned to a review cycle, which may be quarterly, semiannual, or annual, depending on the size and complexity of the account.
- ✚ Once a year we do an in-depth analysis of each client's portfolio and rebalance the assets to stay on target to the strategy. We compare the current allocation among the asset categories to their allocation in the target portfolio. If we determine that adjustments need to be made to bring the portfolio into closer conformity with the target allocation, we research all the assets in the categories in question to determine what changes to make. We look at each individual holding to see if any significant changes have occurred. We then develop the trades needed to make any indicated adjustments.
- ✚ Stocks held in any account are monitored on a continual basis. However, since we do not follow a short-term strategy, we will not necessarily sell stocks when their prices drop.

Clients receive periodic reports in which the allocation of the portfolio among asset groups is compared with the target allocation. Additional information about the portfolio's characteristics and return are also provided. Reports on individual assets are sent to clients on an irregular basis, as the advisor deems appropriate. Reports showing realized gains/losses and income received are sent to clients within the first two months after year-end.

#### **PROXY VOTING POLICY**

Clients who engage Financial Vision to supervise their investments have the option of voting proxies themselves or having us take responsibility to vote their proxies. The following statement is a summary of the Proxy Voting Policy adopted by Financial Vision:

When engaged by a client to do so, Financial Vision participates in proxy issues that directly impact shareholder value and will take a position that, in its best judgment, enhances the value of the client's assets. Financial Vision votes according to the written Proxy Voting Policy and Procedures, which describe how the firm will *generally* vote on numerous proxy issues concerning corporate governance, boards of directors, director and executive compensation, capital structure, mutual funds, among others. In certain instances, we will consider issues on a case-by-case basis and it may be necessary to deviate from positions indicated in the Proxy Voting Policy and Procedures. Financial Vision considers corporate, social and environmental policy issues on a case-by-case basis and generally supports proposals that increase the diligence of corporations with regard to social issues and reducing negative impact on the environment.

In certain instances, Financial Vision may have a conflict of interest with clients with respect to the outcome of certain proxy proposals. We will resolve the conflict in any of the following ways: 1) vote in accordance with the Proxy Voting Policy and Procedures if the issues is addressed therein, 2) obtain direction from the client on how to vote, or 3) vote according to the recommendation of an independent proxy advisor.

In addition, Financial Vision may be solicited to vote on a variety of corporate actions or other matters, such as tender offers and bankruptcy proceedings. When such issues impact shareholder value, we will act in the best interest of the client according to its best judgment.

Marcee Yager is responsible for monitoring corporate developments and voting proxies. Clients may request a copy of Financial Vision's Proxy Voting Policy and Procedures or obtain a record of FVW's votes by submitting a written request or by calling (650) 747-9275.

## CLIENTS USING OUR SERVICES

Our clients are all individuals. Approximately 98% of our clients use our portfolio supervision services. All of our clients receive financial planning services separate from portfolio supervision. Other services (coaching, business consulting, etc.) are used by a minority of clients based on their specific requests for those services.

## PROFESSIONAL STAFF BUSINESS STANDARDS & BACKGROUND




Any associates of Financial Vision who function in an advisory capacity are required to have a sufficient academic background as well as licensing and credentials appropriate for their level of responsibility. All associates must have at least two years experience in the financial services field providing advice to clients. The education, professional credentials, and business background of each of Financial Vision LLC's professional associates are listed below.

### MARCEE YAGER, CFP®

Marcee, the president of Financial Vision, has been a financial advisor since 1984 and a Certified Financial Planner® since 1988. She is also a certified mediator and is recognized among her peers for her expertise in integrating counseling and financial planning. She travels throughout the nation promoting a holistic approach to money, and has been sought after by many national publications from the *Wall Street Journal* to *Reader's Digest*, as well as by professional journals for her views on various aspects of financial planning. She was the original "Ask the Expert" for financial planning on the Quicken website. Marcee has

been married to David Yager for over 40 years. She is a mixed media artist in her spare time, as well as being an avid reader and gardener.

#### **EDUCATION AND PROFESSIONAL CREDENTIALS**

-  CFP® Certified Financial Planner® licensee, CFP Board of Standards
-  EDU College for Financial Planning, Denver, CO  
University of California, Davis, CA
-  Year of Birth 1949

#### **BUSINESS BACKGROUND**

-  11/02 – pres. Financial Vision LLC, La Honda, CA  
President, Chief Investment Strategist
-  01/99 – 11/02 Sterling Wood Financial, LLC, San Mateo, CA  
Principal, Managing Partner
-  10/89 – 12/98 Alderwood Consulting Group, San Mateo, CA  
President

#### **PROFESSIONAL AFFILIATIONS**

-  Financial Planning Association (FPA), Atlanta, GA  
The organization formed from the merger of the ICFP and another organization in 2000
-  Institute of Certified Financial Planners (ICFP), Denver, CO  
Past President and Chairperson, Silicon Valley Society of ICFP, Member since 1985
-  Family Wealth Alliance, Wheaton, IL
-  CFA Institute, Charlottesville, VA  
Professional association for Chartered Financial Analysts, Member since 1994

## **INSIDER TRADING POLICY**

Personnel of the firm may trade in the same securities traded for clients; however, it is Financial Vision's policy not to give preference to orders for personnel associated with the firm regarding such trading. All rules and regulations of the Investment Advisors Act of 1940 are strictly enforced. Financial Vision maintains personal transaction records for all persons associated with the firm, and does not permit insider trading.

Any interest or position in a security held by a Financial Vision advisor will be disclosed to you if you anticipate involvement in that security, except in the case of open-ended mutual fund shares where purchases or sale of the security cannot affect prices or values. Any change in a position recommended to you, where the advisor also holds a position, will be offered to you before the advisor makes such change in his or her own holdings.

Financial Vision's policy for all personnel regarding any type of securities transaction for personal accounts, other than open-ended mutual funds, does not permit employees to:

1. Purchase a security (and/or related securities) that Financial Vision has recommended or is actively considering recommending, or plans to purchase for client account(s), until the later of one business day after the recommendation has been communicated or the discretionary purchase made in the client account(s)

2. Sell a security (and/or related securities) that Financial Vision has recommended or is actively considering recommending sales, or plans to sell for client account(s), until the later of one business day after the recommendation has been communicated or the discretionary sales made in the client account(s).

Financial Vision and its associated persons may purchase or sell specific securities for their own account based on personal investment considerations without regard to whether the purchase or sale of such security is appropriate for clients.

## CLIENT BROKERAGE ACCOUNTS

The following information is applicable to clients who elect to have Financial Vision supervise their investment portfolio.

### LIMITED POWER OF ATTORNEY

Clients electing Portfolio Supervision must complete Limited Power of Attorney (LPOA) forms. The LPOA gives us limited trading authority in clients' investment accounts. That means that we are free to choose the timing and amount of purchases and sales without notifying you. The LPOA allows the Investment Advisor or Account Manager to give instructions regarding transactions to the brokerage firm(s) where client assets are held, and to take all other actions necessary or incidental to the execution of such instructions.

The LPOA does not give any person connected with this firm the authority to withdraw assets from any of your accounts unless they are sent directly to you or to another account owned by you. The LPOA may not be used by persons to gain personal access to your assets. If your agreement with this firm does not include Portfolio Supervision, you will not be asked to complete an LPOA form.

### INVESTMENT ACCOUNTS


#### FEES PAID TO FINANCIAL VISION LLC

If you prefer, the custodian holding your portfolio assets can debit our retainer fees directly from the account(s) you have designated for that purpose. Three criteria must be met for the custodian to debit your account(s):

1. You must provide written authorization permitting our fees to be paid directly from your account held by the independent custodian.
2. We must send you an invoice showing the amount of the fee, the value of your assets on which the fee was based, and the specific manner in which the fee was calculated. The custodian does not check for accuracy of the fee calculations.
3. The custodian agrees to send you a statement at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to this firm. Financial Vision does not and will not have custody of clients' funds or securities.

#### ACCOUNT CUSTODIANS

We have relationships with several brokerage firms and will recommend a specific custodian to you, based on a number of factors, including:

-  Existing accounts you already have at any of the brokerage firms we use



- The types of assets in your portfolio, and comparable transaction fees charged by each brokerage firm
- Your desire for access to a retail office of the brokerage firm where your accounts will be kept

However, we will work with you if you prefer or are required to use another custodian. We don't have authority to open accounts for you at any brokerage firm without your knowledge. Brokerage firms determine the commission rates that they will charge clients for transactions. Financial Vision has no authority to determine these rates, which are collected by and for the brokerage firm and are not paid to Financial Vision. This is true for firms which Financial Vision recommends and for all others as well.

At least once every two years, Financial Vision will review the execution services that it receives from the brokerage firm(s) that it uses for client accounts. Attention will be given to transaction costs, quality of services, and cost of services. As part of this review, we will solicit information from comparable brokerage firms. These must be firms with a separate division to serve investment advisors, which provide an equivalent level of service to advisors and their clients as do the firms with which our company is currently doing business. Comparison of the three aspects listed above will be made.

We will not make any changes in our current practices if the differences in costs and services between the current brokerage providers and others are minor. We recognize the inconvenience to clients of making them change brokerage firms, and believe it is not in their best interests to do so for small differences. However, if we determine that any of the brokerage firms with which we are dealing are significantly higher in cost to clients, or provide a significantly lower level of services, we will contact those of our clients who have accounts with the firm in question to determine if they prefer to stay with that firm or to move to a better firm that we have identified. Those who wish to move their accounts will be given the appropriate paperwork to do so, once Financial Vision has established a relationship with the new brokerage firm.

#### USE OF CUSTODIANS NOT RECOMMENDED BY FINANCIAL VISION

Clients who are referred to Financial Vision by representatives of a broker/dealer will be requested to state their preferences in writing regarding transacting commission business through the referring representative. This office will provide information on comparable costs through sources other than the referrer to clients who have been referred by representatives of broker/dealers.

For the most part, Financial Vision will seek the best combination of price and execution. In evaluating whether a broker or dealer will provide "best execution," historical net prices (after commissions or other transaction-related compensation) on other transactions will be a principal factor, but other, related factors will also be relevant, including the execution, clearance and settlement capabilities of the broker or dealer generally and in connection with securities of the type to be bought or sold; the broker's or dealer's willingness to commit capital; its reliability and financial stability; the size of the transaction; and the market for the security.

In some instances, because of a prior relationship between a client and one or more brokers, or for other reasons, a client may instruct Financial Vision to execute any or all securities transactions for their account with or through one or more brokers designated by the client. In such cases, the client is responsible for negotiating the terms and conditions (including, but not limited to, commission rates) relating to all services to be provided by such brokers and the client is satisfied with such terms and conditions.

Financial Vision has no responsibility for obtaining the best prices or any particular commission rates for transactions with or through any such broker for such client's account. The client recognizes that s/he may not obtain rates as low as might otherwise be obtained if Financial Vision had discretion to select

broker/dealers other than those chosen by the client. If Financial Vision believes in its exclusive discretion that it cannot satisfy its fiduciary duty of best execution by executing a transaction for a client account with a broker designated by the client, Financial Vision may execute that transaction with a different broker/dealer. Any client providing instructions to Financial Vision regarding direction of brokerage transactions must notify Financial Vision in writing if the client desires Financial Vision to cease executing transactions with or through any such broker/dealer.

## MUTUAL FUND EXPENSES

Mutual funds are pooled investment vehicles which are managed by institutions. Any firm that manages a mutual fund is paid an advisory fee which is included in the internal expenses of the fund, and is disclosed in the fund's prospectus. The fees that you pay to Financial Vision for portfolio supervision are separate from any internal expenses of the mutual funds you may hold. They are also separate from any transaction or other fees that the custodian(s) of your investment assets may charge. Any fees you pay directly to Financial Vision cover portfolio supervision services which include management of cash flows in your accounts, management of tax events relating to your investments under our supervision, responsibility for ensuring that your portfolio allocation is in line with the portfolio strategy that you directed us to use, and generation of periodic reports.

## ADDITIONAL COMPENSATION

Financial Vision LLC participates in Charles Schwab & Co.'s Schwab Institutional (SI) service and TD Ameritrade's Institutional Services programs. While there is no direct linkage between the investment advice given and participation in either of these programs, economic benefits are received which would not be received if Financial Vision did not give investment advice to clients. These benefits include: receipt of duplicate client confirmations and duplicate statements; access to a trading desk serving advisor participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client accounts; access to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors. The benefits received through participation in these programs do not depend on the amount of accounts opened with, or transactions directed to Charles Schwab & Co. or TD Ameritrade.

# FEE SCHEDULE

## INITIAL MEETING







We do not charge for a meeting held for the purpose of evaluating whether there is a need for specific services, and whether our firm can best meet your needs. If there is a fit, either of the following agreements may be entered into with Financial Vision.

We have two methods of setting fees, depending on the scope of services desired:

## RETAINER AGREEMENT

This fee covers any actions that you may request from Financial Vision which are within our scope of services. In addition to the items outlined in the "Services" section of this brochure other services that may be included are ongoing oversight of your family's financial matters, organizing financial paperwork, administering charitable gifting programs, arranging loans, personal bill-paying, etc. The retainer fee is negotiated on an individual basis, and is based on the complexity of your situation.

The following list describes the basic services most commonly requested:

-  Financial Checkup
-  Coaching/Consulting
-  Cash Flow Organization
-  Scenario Planning/Projections
-  Portfolio Analysis & Recommendations
-  Risk Management Analysis
-  Ongoing Portfolio Supervision

Portfolio Supervision is incorporated into the retainer agreement, the fees for which are not based on the value of the assets under supervision. Retainer fees may be prepaid for a year in advance, or billed monthly in arrears, depending on the client's preferences and the scope of services covered by the retainer. Fees may be deducted directly from an investment account if the client so chooses. If fees are debited from an account, an invoice is sent to the client. It is the client's responsibility to verify the accuracy of the fee calculation; the custodian does not check for accuracy. Retainers are generally valid for a twelve month period, at which point the advisor will review the terms with the client and make adjustments based on services requested for the upcoming year.

If your agreement with Financial Vision includes portfolio supervision, any fees you pay directly to Financial Vision cover portfolio supervision services which include management of cash flows in your accounts, management of tax events relating to your investments under our supervision, responsibility for ensuring that your portfolio allocation is in line with the portfolio strategy that you directed us to use, and generation of periodic reports.




## HOURLY CONSULTING

Hourly fees are charged for single consulting projects not otherwise covered by retainer.

The hourly rate is \$400-\$500 per hour for analysis & meeting time, depending on the nature of the project. If we are unable to complete your project for the agreed-upon amount, we will notify you before proceeding further. An advance payment of \$1200 (the minimum charge for services) will be due prior to commencing the engagement.

Clients may terminate their engagement with Financial Vision before completion of the covered projects by providing 30 days written notice. In the event the engagement is terminated the client will be invoiced for services already rendered, and any prepaid fees will be prorated to the date of termination and unearned fees will be returned to the client by check within 30 days of termination.

## CONDITIONS FOR PROVIDING SERVICE

-  \$1200 minimum for Hourly Consulting
-  No minimum account size for Portfolio Supervision
-  Minimum retainer fee of \$12,000

Although Financial Vision believes its fees are competitive, lower fees for comparable services may be available from other sources.

## SERVICES PROVIDED TO OTHER ADVISOR'S CLIENTS

Financial Vision has an arrangement to provide limited portfolio management services to several clients of another financial planner. The fee for these limited services is partly based on the client's portfolio, with

the minimum annual fee being .50% (one-half of one percent) of the value of the assets being managed on the date of the agreement, or \$1200, whichever is greater.

## DISCLOSURE BROCHURE

Each Portfolio Supervision client is required to receive this disclosure brochure that notes all possible areas of conflict of interest. New clients must receive this brochure at least 48 hours before entering into a financial advisory contract, or if it is received simultaneously with signing the contract, you have five (5) business days in which to terminate the contract without penalty. Existing clients must be offered delivery of this brochure whenever it is amended, or at least annually.

This disclosure brochure is delivered in accordance with the Investment Advisors Act of 1940 as amended and with regulations of the U.S. Securities and Exchange Commission. The information included herein has not been passed upon or approved by the S.E.C. but such information, which is kept on file in our office, is primarily composed of information contained in S.E.C. Form ADV, Part II.

## PRIVACY STATEMENT

Financial Vision, an independent financial planning group, is committed to safeguarding the confidential information of its clients. We hold all personal information provided to our firm in the strictest confidence. These records include all personal information provided by Financial Vision. We also require other firms with whom we deal to restrict the use of your information. A complete privacy statement concerning our firm's policy is available upon request. You may obtain it in person, or through a written request, or simply by calling us at 650.747.9275.

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PHONE 650.747.9275 FAX 650.899.1507 [WWW.FV-LLC.COM](http://WWW.FV-LLC.COM)  
FINANCIAL VISION IS A CALIFORNIA LIMITED LIABILITY COMPANY  
REGISTERED INVESTMENT ADVISOR: FINANCIAL VISION LLC