

# Caplan Financial Group, LLC

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## **Firm Brochure**

(Part 2A of Form ADV)

This brochure provides information about the qualifications and business practices of Caplan Financial Group, LLC. If you have any questions about the contents of this brochure, please contact us at: (410) 735-1905, or by email at: [info@caplanfinancialgroup.com](mailto:info@caplanfinancialgroup.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about Caplan Financial Group, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

December 31, 2010

## **Material Changes**

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### **Annual Update**

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure. This release, dated December 31, 2010, represents the initial release of the Firm Brochure.

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### **Material Changes since the Last Update**

Not applicable.

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### **Full Brochure Available**

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: (410) 735-1905 or by email at: [info@caplanfinancialgroup.com](mailto:info@caplanfinancialgroup.com).

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# Advisory Business

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## Firm Description

Caplan Financial Group, LLC (“CFG”) is a limited liability company formed on February 1, 2002 in the state of Maryland. CFG became registered as an Investment Advisory Firm on February 1, 2002. CFG is owned by Mitchell Caplan as the Managing Member of the LLC.

CFG currently employs two full-time administrative staff. In addition, CFG has one Investment Advisory Representative who works as an independent contractor for the firm.

CFG offers its clients investment advisory services and financial planning services. The firm’s compensation is derived from fees paid directly by clients. The firm does not receive commissions based on the clients’ purchase of securities. No referral fees are paid or accepted. As discussed below, Mitchell Caplan, individually, may earn commissions from the sale of insurance products.

Assets under management of CFG are held by independent custodians. Fidelity Investments is the primary custodian holding CFG directed investments. Clients may hold investments at other custodians such as TD Ameritrade and Charles Schwab and still fall under the management of CFG.

CFG does not act as a custodian of client assets although we may at times be considered by the SEC to technically have “custody” over certain types of investment accounts and/or credit accounts. This occurs primarily when CFG maintains credit card information, as requested by the client, for purposes of automatic fee billing.

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## Principal Owners

Mitchell Caplan is 100% owner of Caplan Financial Group, LLC.

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## Types of Advisory Services

CFG offers its clients investment advisory services and, to the extent specifically requested by clients, financial planning services.

### **INVESTMENT ADVISORY SERVICES**

Clients can engage CFG to provide discretionary or non-discretionary investment advisory services on a *fee only* basis. CFG primarily allocates client investment assets among open-end mutual funds in accordance with the client’s designated investment objective(s).

CFG does not customarily advocate investment strategies that involve wide ranging diversification, rebalancing of portfolios at particular time frames, modern portfolio theory and/or index investing. Rather, we generally advocate the use of a limited number of diversified and/or non-diversified open-end mutual funds for a client's total investment portfolio.

Clients who engage CFG on a **non-discretionary** investment advisory basis **must be willing to accept** that CFG cannot effect any account transactions without obtaining prior verbal consent to any such transaction(s) from the client. Thus, in the event CFG wishes to make changes to the clients investment portfolio at a time when client is unavailable, CFG will be unable to effect such transactions.

### **FINANCIAL PLANNING SERVICES**

To the extent requested by a client, CFG may be engaged to provide financial planning services. Customarily, clients will engage CFG to provide an initial financial plan and ongoing financial planning services and updates.

If requested by the client, the initial financial plan as well as ongoing financial planning services and updates will address the following eight areas of planning:

#### **1. GOAL SETTING AND ONGOING MONITORING AND ASSESSMENT:**

- Identify short, medium and long term financial goals.
- Evaluate progress towards goals and recommend changes as needed.

#### **2. INVESTMENT ANALYSIS:**

- Provide asset allocation services regarding investments not directly managed by Caplan Financial Group such as 401(k) retirement plan assets.
- Recommend investments to implement the agreed-upon allocation.
- Recommend changes to investment selections to implement the revised portfolio allocation.

#### **3. INSURANCE REVIEW\*:**

- Review the amount and type of all life insurance policies.
- Review ownership and beneficiary designations and their integration with current estate plan.
- Review amount and type of individual and group long-term disability insurance.
- Review need for long-term care insurance as well as benefit amount and type of policy.

#### **4. EMPLOYEE BENEFIT UPDATE:**

- Review new and amended employee benefits programs offered by employer.
- Discuss how to utilize available benefits.
- Review and consider changes to elections for retirement plans, insurance options, flexible spending accounts and other benefits.
- Review stock options, restricted stock and other deferred compensation programs.

**5. TAX PLANNING UPDATE\*\*:**

- Review previous tax planning recommendations.
- Discuss implementation issues.
- Evaluate effectiveness of implemented planning.
- Discuss relevant changes in the tax laws.
- Consider revised or new tax planning ideas.
- Discuss involvement of other service providers (e.g., CPA and attorney).
- Set or revise plan to implement established goals.

**6. ESTATE PLANNING UPDATE\*\*:**

- Review previous estate planning recommendations.
- Discuss implementation issues.
- Discuss relevant changes in family status and personal goals that may impact planning.
- Consider need for asset protection planning.
- Discuss changes in the tax laws.
- Consider revised or new planning ideas.
- Discuss involvement of other service providers (e.g., CPA and attorney).
- Set or revise plan to implement established goals.

**7. REAL ESTATE/REAL ESTATE FINANCING ANALYSIS:**

- Discuss planning issues related to purchase of a new primary residence, vacation property and/or investment real estate property.
- Review terms of current financing programs and consider alternatives.
- Participate, as requested, in phone conferences and meetings with mortgage lenders.

**8. OTHER:**

- Discuss planning for pending or recent inheritance.
- Review planning considerations for providing care to parents and other relatives including any requirements for financial assistance.
- Discuss impact of any planned or possible significant life events and consider impact on current and future financial plans.

\*Caplan Financial Group's review of your insurance program is limited to a review of and/or recommendations relating to the adequacy of life, long-term disability and long-term care insurance only. In conjunction with ongoing financial planning, we recommend that clients consult their current insurance agent(s) to discuss the adequacy of homeowners, automobile, excess liability, health, major medical, business liability, errors and omissions and/or any other property and casualty, business liability or related type insurance.

\*\*All listed services require the input of a licensed tax and/or legal professional. Clients understand that any tax and/or legal strategies discussed must be approved by their tax and legal advisors prior to implementation.

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## **Tailored Relationships**

At CFG, investment management and financial planning services are tailored to the individual needs of clients. Client goals and objectives are clarified in meetings and used to determine the course of action for each individual client.



It remains the client's responsibility to promptly notify CFG if there are changes in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising previous recommendations and/or services.

In performing its services, CFG shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon.

Clients may impose restrictions on investing in certain types of securities. Client must clearly communicate the type of securities that it wishes to exclude from the assets managed by CFG.

CFG does not participate in wrap fee programs.

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## **Managed Assets**

As of December 31, 2010, the Registrant had \$117,380,267 in assets under management on a discretionary basis and \$266,600 in assets under management on a non-discretionary basis.

## **Fees and Compensation**

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### **Description**

Generally, CFG bases its fees for investment advisory services on a percentage of assets under management. Fees charged for financial planning services entail a fixed fee for the initial financial plan and/or a fixed or variable fee for ongoing financial planning services. All fees are negotiable.

### **FEES FOR INVESTMENT ADVISORY SERVICES**

Subject to changes that may be negotiated between CFG and client (see **Note** below), CFG shall charge investment advisory fees based on one of the two following fee schedules:

#### **Fee Schedule #1**

<u>Total Assets Managed</u>	<u>Annual %</u>
First \$500,000	1.50%
Next \$500,000	1.25%
Next \$4,000,000	1.00%
Next \$5,000,000	0.75%
Next \$10,000,000+	Determined at Engagement

## **Fee Schedule #2**

<u>Total Assets Managed</u>	<u>Annual %</u>
First \$2,000,000	1.00%
Next \$3,000,000	0.40%
Next \$5,000,000	0.30%
Next \$10,000,000	0.20%
Next \$20,000,000+	0.15%

**Note:** A fee schedule different from either of the schedules shown above may be used for an engagement. Among the criteria considered by CFG when negotiating a fee schedule different from those shown above are anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, related financial planning services and/or fees for such financial planning services, and the amount of time CFG anticipates will be required to perform its services.

### **FEES FOR FINANCIAL PLANNING SERVICES**

Fees for CFG's financial planning services are negotiable. Generally, CFG charges a one-time fixed fee of between \$2,000 and \$7,500 for the initial financial plan. Fees charged for ongoing financial planning services are generally stated as a fixed dollar amount or are based on a formula tied to a client's net worth.

Generally, CFG will send an invoice for payment for the initial financial plan. Generally, clients will pay this invoice directly via check made payable to CFG.

Clients pay ongoing financial planning fees using one or more of the following fee payment mechanisms:

1. Quarterly invoice sent to client's address of record.
2. Monthly or quarterly deduction from client's account custodied at a qualifying custodian.
3. Monthly or quarterly payment via credit card. (CFG understands the SEC "custody" rules and implications to such rules when CFG maintains client credit card information. See Custody discussion on page 12).

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### **Fee Billing**

Generally, CFG's investment advisory fee shall be prorated and paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter. In certain cases, CFG and client may agree upon a method different from the aforementioned payment process.

CFG shall reimburse accounts for losses resulting from CFG's trade errors.

## **BILLING PRACTICES**

With occasional exceptions made based on negotiation between CFG and clients, clients will pay investment advisory fees in advance of services provided. Clients may obtain a refund of prepaid investment advisory fees if the Discretionary Investment Management Agreement is terminated before the end of the billing period. The amount of the refund will be equivalent to the unearned fee paid. The unearned fee will be calculated based on the number of days in the calendar year quarter remaining after the contract was terminated divided by the total number of days in the quarter.

Timing of payments for the initial financial plan and/or ongoing financial planning services are negotiated between CFG and client. The timing of payments is generally documented in Exhibit B to the Ongoing Financial Planning Agreement.

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### **Other Fees**

Custodians may charge transaction fees on purchases or sales of certain mutual funds and other investment products. These transaction charges are usually relatively small and are incidental to the purchase or sale of a security.

Mutual funds generally charge a management fee for their services as investment managers. The management fee is included in the expense ratio. Mutual fund fees also include transaction charges for the purchase or sale of securities within the fund. Mutual funds may also charge additional fees as disclosed in the fund prospectus. These fees are in addition to the fees paid by the client to CFG.

Please see the section entitled “Brokerage Practices” on page 10 for more information.

At any specific point in time, depending upon perceived or anticipated market conditions/events (there being **no guarantee** that such anticipated market conditions/events will occur), and depending upon liquid cash necessary for fee billing purposes, CFG may maintain cash positions. All cash positions (money markets, etc) shall be included as part of assets under management for purposes of calculating CFG’s advisory fee.

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### **Termination of Agreements**

Both CFG and client may terminate a Discretionary Investment Management Agreement and/or Ongoing Financial Planning Agreement at any time, for any reason. Any unearned portion of fees collected in advance will be refunded by CFG to client.

## **Compensation for Sales of Investment Products**

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CFG's compensation is derived from fees paid directly by clients. CFG does not receive commissions based on the client's purchase of securities. As discussed below, Mitchell Caplan, individually, may earn commissions from the sale of insurance products.

## **Performance-Based Fees**

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### **Sharing of Capital Gains**

Neither the Registrant nor any supervised person of the Registrant accepts performance-based fees.

## **Types of Clients**

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### **Description**

CFG generally provides investment and/or financial planning advice to individuals, families and trusts. Advice may be extended to entities related to the client such as closely held businesses. Client relationships vary in scope and length of service. CFG does not generally impose a minimum dollar value of assets for opening or maintaining an account. CFG may impose a minimum fee for investment advisory services and/or ongoing financial planning services. Minimum fees are negotiated on an individual client basis.

## **Methods of Analysis, Investment Strategies and Risk of Loss**

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### **Methods of Analysis**

CFG generally utilizes no-load, open end mutual funds for client investment portfolios. The main sources of information on securities utilized include Morningstar reports, fund prospectuses, financial newspapers and magazines and research materials prepared by others. Employees of CFG also participate in on-site and off-site visits with mutual fund managers, conference calls with mutual fund management teams and industry conferences.

### **Investment Strategies**

The investment strategy for a specific client is based upon the objectives, income needs and tax situation stated by the client during consultations. Client portfolios will contain a limited number of securities.

CFG does not utilize model portfolios and does not customarily advocate strategies involving wide ranging diversification, rebalancing of portfolios at the particular time frames and/or index investing. CFG advocates the use of a limited number of diversified and/or non-diversified open-end mutual funds.

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## **Risk of Loss**

All investment programs have certain risks that are borne by the investor. Our investment approach keeps the risk of loss in mind. However, as with all investments, clients face investment risks including the following: Loss of Principal Risk, Interest-rate Risk, Market Risk, Inflation Risk, Currency Risk, Reinvestment Risk, Business Risk, Liquidity Risk, and Financial Risk.

## **Disciplinary Information**

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### **Legal and Disciplinary**

The firm and its employees have not been involved in any legal or disciplinary events related to past or present activities.

## **Other Financial Industry Activities and Affiliations**

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### **Activities**

CFG does not participate in any other business activities. Neither CFG nor CFG's supervised persons are registered as, or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer. Neither CFG nor its representatives are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor or a representative of the foregoing.

Mitchell Caplan, in his individual capacity, is a licensed insurance agent/broker. Mitchell Caplan may recommend the purchase of certain insurance-related products on a commission basis. Clients have the sole discretion as to whether to engage Mitchell Caplan to effect insurance transactions on their behalf.

The recommendation by Mitchell Caplan that a client purchase an insurance product presents a ***material conflict of interest***, as the receipt of commissions may provide an incentive to recommend insurance products based on commissions received, rather than on a particular client's need. No client is under any obligation to purchase any insurance products from Mitchell Caplan. Clients are reminded that they may purchase insurance products recommended by Mitchell Caplan through other non-affiliated insurance agents/brokers. **CFG's Chief Compliance Officer, Mitchell Caplan, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

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## **Affiliations**

CFG does not have any business affiliations with any related person or entity that are material to its advisory business. Mitchell Caplan, in his individual capacity, has been appointed as an agent/broker with numerous insurance companies.

Henry P. Alden, II, an Investment Advisory Representative of CFG, owns and operates Everest International Group, LLC and Everest Ito Group, LLP. Both of these entities are Certified Public Accounting and Consulting firms (see Part 2B – Brochure Supplement, page 17). Clients are not obligated to engage the services of Mr. Alden’s practice. Any services provided by Mr. Alden are to be undertaken via a separate contract between the client and his firm. All such accounting, tax and/or consulting services are separate and distinct from any services provided by CFG. CFG does not accept any revenue for referrals made to Mr. Alden and/or the aforementioned entities.

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

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### **Code of Ethics**

The employees of CFG are committed to a Code of Ethics. The primary commitments within CFG’s Code of Ethics are putting the clients’ interest first, objectivity, competence, fairness and suitability, integrity and honesty, regulatory compliance, full disclosure, and professionalism.

In accordance with Section 204A of the Investment Advisers Act of 1940, CFG also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by CFG or any person associated with CFG.

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### **Participation or Interest in Client Transactions**

CFG and its employees may at times buy or sell securities that are also held by clients. Because the majority of securities purchased and sold by CFG and clients are open end, no-load mutual funds, CFG and/or representatives of the firm will generally not be in a position to materially benefit from the sale or purchase of such mutual funds.

Mitchell Caplan, the Chief Compliance Officer of CFG, reviews all employees’ trades each quarter. The personal trading reviews ensure that the personal trading of employees is not based on inside information and that clients of the firm receive preferential treatment. Personal trading of securities by employees of CFG are not of a significant enough value to affect the securities markets.

## **Brokerage Practices**

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### **Selecting Brokerage Firms**

CFG does not have any affiliation with broker-dealer or other firms offering the purchase or sale of securities to the public. Specific custodian recommendations are made to clients based on their need for such services. CFG generally recommends Fidelity Investments based on the proven integrity and financial responsibility of the firm, discount commission/trade fees and the quality of client service.

CFG does not receive fees or commissions from Fidelity Investments or other custodians. CFG may benefit from electronic delivery of information and the electronic trading platform provided by Fidelity Investments and other custodians. CFG may also benefit from other services provided by Fidelity Investments such as research, continuing education, and practice management advice. These benefits are standard in a relationship with custodians and are not in return for client recommendations or transactions.

Included within the support services that may be obtained by CFG from Fidelity Investments and other custodians are discounts or gratis for consulting services, discounts and/or gratis related to attendance at conferences, meetings and other educational and/or social events. Marketing support and/or other products and services are used by CFG in furtherance of its advisory business operations.

Clients of CFG do not pay more for investment transactions effected and/or assets maintained at Fidelity Investments as a result of this arrangement.

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### **Soft Dollars**

CFG does not receive soft dollar benefits from custodians. CFG does not receive referrals from Fidelity Investments or other broker-dealers.

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### **Directed Brokerage**

CFG does not engage in directed brokerage arrangements.

## **Review of Accounts**

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### **Periodic Reviews**

Unless clients of the firm request otherwise, CFG will provide ongoing financial planning updates and a review of client's investment portfolios on a semiannual basis. Generally these review meetings will occur during the month of the client's birth date and half birth date. Ongoing financial planning reviews will vary in focus as requested by the client. Investment

management reviews will also vary in focus based upon changes in market conditions, new information about investment managers/mutual fund management, changes in tax laws and/or other important events.

Both ongoing financial planning reviews and investment management reviews are performed by Mitchell Caplan. The total number of households for which Mitchell Caplan provides regular investment advisory and/or ongoing financial planning services is approximately 110.

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## **Review Triggers**

As discussed above, ongoing financial planning and investment management reviews are generally performed on a semiannual basis. Additional reviews may be triggered by client request, changes in market condition, new information about investment managers/mutual funds, changes in tax laws, changes in clients' goals/objectives and/or other client life changing events such as birth of a child, marriage/divorce/remarriage, inheritance and/or other life changing events.

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## **Regular Reports**

Written reports are provided to clients when review meetings are conducted. The reports may consist of an Investment Strategy Analysis Report (a statement of holdings and their classification), Investment Portfolio Performance Reports, a Financial Security Summary (a list of assets, liabilities and other important information) or other reports as needed.

## **Client Referral and Other Compensation**

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### **Incoming Referrals**

CFG's referrals generally come from current clients, estate planning attorneys, accountants, personal friends or employees and other sources. The firm does not pay for referrals.

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### **Referrals to Other Professionals**

CFG does not accept referral fees or any form of compensation from other professionals when a prospect or client is referred to them.

## **Custody**

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### **Account Statements**

All assets are held at qualified custodians who provide account statements directly to clients at their address of record. Clients are encouraged to carefully review the statements provided by their custodians.



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## **Statements Provided by Caplan Financial Group, LLC**

Clients are at times provided Financial Security Summary reports (a statement of net worth and other important information specifically requested by client to be included) and/or a list of investment holdings and/or Investment Portfolio Performance Reports. Clients are urged to compare the statements they receive from us to those they receive from their qualified custodians if applicable. In situations where assets not held at qualified custodians (real estate, stock options and other assets) are listed on reports they receive from us, clients are urged to provide feedback and/or discuss the values with us during review meetings.

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## **SEC “Custody”**

According to a recent ruling by the SEC, investment advisers are deemed to have “custody” of client funds if certain conditions are met. From time to time, CFG may be technically considered to have “custody” of certain types of accounts. During calendar year 2010, there were two situations where CFG was considered to have had “custody.” First, in certain circumstances, CFG maintained online access credentials for client 401(k) assets and other accounts where the integrity of the account could be seriously compromised online. Second, in certain circumstances, as requested by client, CFG had “custody” of a client’s credit account as a result of maintaining client credit card information for billing purposes.

When CFG is deemed to have “custody” as defined above, the SEC requires an annual surprise audit of those “custodied” accounts by an independent CPA firm. CFG complies with this requirement.

## **Investment Discretion**

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### **Discretionary Authority for Trading**

CFG accepts discretionary authority to manage securities accounts on behalf of clients. CFG has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. However, if discretionary authority or a limited power of attorney has not been given, CFG consults with the client prior to each trade to obtain concurrence. Discretionary trading authority facilitates placing trades in clients’ accounts on their behalf so that we may promptly implement the investment policy that they have approved. In most cases, clients are provided with an opportunity for review and discussion prior to implementation of recommendations.

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### **Limited Power of Attorney**

Clients must sign a limited power of attorney before CFG is given discretionary authority. The limited power of attorney is included as part of the Discretionary Investment Management Agreement executed between client and CFG.

## **Voting Client Securities**

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### **Proxy Votes**

CFG does not vote proxies for securities over which it maintains discretionary authority. Clients will receive their proxies or other solicitations directly from their custodian or a transfer agent. Clients can contact CFG with questions about proxies or other solicitations they receive.

## **Financial Information**

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### **Financial Condition**

CFG does not have any financial impairment that would preclude the firm from meeting contractual commitments to clients. A balance sheet is not required to be provided because CFG does not serve as a custodian for client funds or securities, other than as described above, and CFG does not require prepayment of fees of more than \$1,200 per client, six months or more in advance.

## **Business Continuity Plan**

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### **General**

CFG has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

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### **Disasters**

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, fire, and floods. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived on and offsite.

## **Information Security Program**

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### **Information Security**

CFG maintains an information security program to reduce the risk that personal and confidential information may be breached.

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## Privacy Notice

CFG maintains physical, electronic, and procedural safeguards that comply with federal standards to protect its clients' nonpublic personal information ("information"). Through this policy and its underlying procedures, CFG attempts to secure the confidentiality of customer records and information and protect against anticipated threats or hazards to the security or integrity of customer records and information.

It is the policy of CFG to restrict access to all current and former clients' information (i.e., information and records pertaining to personal background, investment objectives, financial situation, tax information/returns, investment holdings, account numbers, account balances, etc.) to those employees and entities who need to know that information in order to provide products or services to the client. CFG may disclose client's information if CFG is: (1) previously authorized to disclose the information to individuals and/or entities not affiliated with CFG, including, but not limited to, the client's other professional advisors and/or service providers (i.e., attorney, accountant, insurance agent, broker-dealer, investment adviser, account custodian, etc.); (2) required to do so by judicial or regulatory process; or (3) otherwise permitted to do so in accordance with the parameters of applicable federal and/or state privacy regulations. The disclosure of information contained in any document completed by the client for processing and/or transmittal by CFG in order to facilitate the commencement/continuation/termination of a business relationship between the client and a nonaffiliated third party service provider (i.e., broker-dealer, investment adviser, account custodian, insurance company, etc.), including information contained in any document completed and/or executed by the client for CFG (i.e., advisory agreement, client information form, etc.), shall be deemed as having been automatically authorized by the client with respect to the corresponding nonaffiliated third party service provider.

CFG permits only authorized employees and other parties who have signed a copy of CFG's Privacy Policy to have access to client information. Employees violating CFG's Privacy Policy will be subject to CFG's disciplinary process. Additionally, whenever CFG hires other organizations to provide services to CFG's clients, CFG will require them to sign confidentiality agreements and/or the Privacy Policy.

## Brochure Supplement (Part 2B of Form ADV)

### Supervised Persons

Mitchell M. Caplan, Henry P. Alden, II

### Mailing Address | Operations Center

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(410) 735-1905

### Corporate Office | Headquarters

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(410) 735-1905

As of December 31, 2010

This brochure supplement provides information about Mitchell M. Caplan and Henry P. Alden, II that supplements the Caplan Financial Group, LLC brochure. You should have received a copy of that brochure. Please contact Darren Stauffer, Director of Operations, if you did not receive Caplan Financial Group, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about Mitchell M. Caplan and Henry P. Alden, II is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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**Mitchell Marc Caplan, CPA, JD, President, Chief Compliance Officer****Educational Background:**

- Date of birth: 07/08/1963
- George Washington University, Bachelor of Accountancy, 1985
- University of Maryland School of Law, Juris Doctor, 1993

**Business Experience:**

Prior to founding Caplan Financial Group, LLC in 2002, Mitchell was an accountant with KPMG in Washington, DC from 1985 to 1987. Mitchell served as a financial services recruiter with Thomas, Whelan & Associates from 1987 to 1990. After graduating law school in 1993, Mitchell was an insurance agent and registered securities representative with the Northwestern Mutual Financial Network from 1993 to 2006. During his tenure with the Northwestern Mutual Financial Network, Mitchell founded Caplan Financial Group, LLC in 2002.

Disciplinary Information: None

**Other Professional Activities:**

Member of The Estate Planning Council of Baltimore, Member of The Financial Planning Association® – Maryland Chapter.

**Additional Compensation:**

Mitchell Caplan, in his individual capacity, is a licensed insurance agent/broker. Mitchell Caplan may recommend the purchase of certain insurance-related products on a commission basis.

**Supervision:**

Mitchell Caplan supervises his own compliance-related activities. Mitchell is assisted by Darren Stauffer, who manages CFG's client relationship management system.

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**Henry Palmer Alden, II, CPA/PFS****Educational Background:**

- Date of birth: 09/02/1960
- Wake Forest University, B.S. Accounting, 1982
- Masters in Taxation, University of Georgia, 1985

Business Experience:

- Henry started his career at KPMG, in Washington, DC. Throughout his 15 years at KPMG, Henry specialized in domestic and international tax consulting, serving both corporate and individual clientele. While at KPMG, Henry established the firm's Global Wealth Services Practice, which focuses on providing international tax and financial planning to individuals with multinational interests. After leaving KPMG in 2005, Henry formed Everest International Group, LLC.
- Caplan Financial Group, Investment Adviser Representative, 2010 – Present
- Cambridge Investment Research, Inc., Fairfield, IA, Registered Representative, September 2006 - June 2007
- Everest International Group, LLC, President, 2005 – Present
- Everest Ito Group, LLP, Managing Member, 2007 – Present
- KPMG Global Wealth Services, Washington, DC, National Director, October 1998 – June 2005
- Alden & Alden, Annapolis, MD, Owner, January 1994 – October 1998
- KPMG, Washington, DC, Multiple Departments, 1985 - 1993

Disciplinary Information: None

Other Professional Activities:

Henry is Co-chair of the Expatriation Tax Task Force of the AICPA Trust, Estate and Gift Tax Technical Resource Panel and the AICPA's International Reporting Requirements Task Force. He is also a member of the British American Business Association in Washington, DC, the American Institute of Certified Public Accountants (AICPA), and the Maryland Association of Certified Public Accountants.

Additional Compensation:

Henry Alden owns and operates Everest International Group, LLC and Everest Ito Group, LLP as his primary occupation. Most of Henry's annual compensation is derived from the business activities of these two firms.

Supervision:

Henry Alden's compliance related activities are supervised by Mitchell Caplan. Mitchell supervises Henry's investment advisory work through frequent office interactions. Mitchell also reviews Henry's activities through CFG's client relationship management system.