

**Program Brochure:**  
**Investment Adviser**  
**Disclosure Statement**

for

**Pacific Park**  
**Financial, Inc.™ Registered Investment Adviser**

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**Note:** The Securities & Exchange Commission does not approve, disapprove or review the "Investment Adviser Disclosure Document." Similarly, state regulatory bodies do not approve, disapprove or review the "Investment Adviser Disclosure Document." The designation, "Registered Investment Adviser," regards the licensing of the business entity Pacific Park Financial, Inc. The designation does not imply levels of skill or training.

Date of most recent update: 3/4/2011

## **Item 2. Material Changes**

There are no substantive changes to the policies or practices at Pacific Park Financial, Inc.

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#### **ITEM 4. ADVISORY BUSINESS**

Pacific Park Financial, Inc., a Registered Investment Adviser, provides investment advice to individuals, families, businesses, pensions, trusts, estates and/or charitable organizations. Pacific Park Financial, Inc. (the “*Adviser*”) offers advice on a wide variety of investment types, including exchange-listed securities like stocks and ETFs, over-the-counter securities, corporate debt securities like bonds, CDs, municipal securities, mutual funds, variable life insurance, variable annuities and U.S. government securities.

The *Adviser* provides advice in a supervisory capacity (i.e., money management) as well as a consultative capacity. The *Adviser* manages \$90 million in assets.

For California Residents: Subsection (i) of Rule 260.238, California Code of Regulations requires that all investment advisers disclose to their advisory clients that higher or lower fees for comparable services may be available from other sources. Accordingly, the *Adviser* hereby discloses to clients that similar or same investment services may be available from other sources for higher or lower overall fees.

#### **Item 5. Fees and Compensation**

Clients who engage the *Adviser* for the management of assets will be charged at the annual asset management percentage rate below and billed quarterly. The maximum fees charged are based on the combined size of assets under management as outlined below:

\$0 - \$100,000	2.0%
\$100,001 - \$250,000	1.5%
\$250,001 - \$750,000	1.25%
\$750,001 - \$2,500,000	1.0%
Above \$2,500,001	0.75%

In addition to fees paid to the *Adviser* with respect to client's investments in mutual funds and exchange-traded funds, clients pay the fund company their annual expenses. Transactions for the purchase or sale of individual securities and transaction fee funds are not included in the management of assets.

Fees are, under some circumstances, negotiable. The *Adviser* may take into account a wide variety of circumstances under which it may modify standard fees, including: (a) starting asset under management balance, (b) anticipated additions to assets under management, (c) the nature of securities being managed (e.g., individual bond ladders requiring less *Adviser* activity, foreign stock ETFs requiring more *Adviser* activity, etc.) and (d) the number of months/years the advisory relationship has been in effect.

The *Adviser* requires each client to enter into a written Investment Advisory Agreement (the “*Agreement*”) that sets forth the rights and obligations of both the *Adviser* and the client. The *Agreement* provides that fees are payable quarterly; fees are based upon the market value of assets at the end of the calendar quarter and calculated according to the above-mentioned schedule. The *Agreement* also provides for termination by either party with 30 days written notice.

In the event of termination, the quarterly fee will be prorated for the active period and billed accordingly. Clients may terminate the *Agreement* without penalty or fees within 5 days of initial execution.

Payments of fees may be made by the custodial brokerage that holds client funds. At the same time, 3 criteria would be met when payment is made by the custodial firm: (1) The client provides written authorization permitting fees be made direct from the custodian, (2) The *Adviser* sends the client a bill showing the amount of the fee and the way in which it was calculated, (3) The custodian agrees to send the client a quarterly statement, indicating the amounts disbursed from the account to the *Adviser*.

Retirement accounts such as a 401(k)'s or 403(b)'s can be managed by the *Adviser* as an additional service to the aforementioned services. All clients interested in this service are bound by the same contractual obligations as clients engaged in traditional asset management. However, an additional Limited Power of Attorney and Contract Addendum are required to be signed by both the client and the *Adviser*. Fees for this service are 0.75% of the total RETIREMENT ACCOUNT as of the last day of the quarter. (Note: Due to the fact that these accounts are managed under the Contract Addendum, they are not pooled with traditionally managed accounts.) In addition, due to the fact that the *Adviser* is unable

to deduct fees, the client will be billed separately and expected to remit payment within 30 days of bill receipt. Client can terminate this Contract Addendum, in writing, at any time. However, client agrees that fees are due and payable for services rendered prior to termination.

Professional services rendered outside the scope of the above-mentioned schedule is billed at the hourly rate of \$200 and are payable at the time of service.

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

Performance-based fee structures can lead to excessive risk-taking by an account manager. The *Adviser* does NOT charge performance-based fees nor does it have a supervised person managing an account that pays performance-based fees.

#### **Item 7. Types of Clients**

The *Adviser* provides investment advice to individuals, families, businesses, pensions, trusts, estates and/or charitable organizations. Clients do not have to meet initial account balance requirements to open investment accounts and clients are not required to maintain minimum account balances.

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

The *Adviser* uses a combination of information -- technical analysis, fundamental analysis, macro-economic analysis, industry analysis, historical analysis and contrarian analysis -- to determine appropriate securities for its clients. The primary sources of information include market activity, financial publications, rating services, external research reports, annual reports, prospectuses, SEC filings, company press releases and internet-based financial material.

The *Adviser* generally invest client assets in individual equities, equity mutual funds, equity ETFs, fixed income securities (taxable and tax exempt, individual and ETF), as well as cash or cash equivalents. Determining the appropriateness of a client's asset mix occurs within the context of the following program:

- a) Investor Profile: Identifying dollar goals and annualized percentage targets, reviewing existing investment account statements, determining risk tolerance and targeting initial asset allocation.
- b) Portfolio Management: On an ongoing basis, the *Adviser* seeks to maintain a diversified mix of assets that are consistent with a client's investment objectives. Buying and selling investments is based upon market conditions, and suitability of investments for client. Asset mix and asset allocation will change as market forces warrant.
- c) Performance Evaluation, Monitoring and Review: The *Adviser*, furnishes quarterly reports to clients regarding portfolio performance, and consults on portfolio progress as clients need or request.

The investment strategies used to implement advice provided to clients include long-term and short-term purchases, as well as short-term purchases lasting less than 30 days. Long-term investments and short-term investments each have respective risks of loss.

Long-term purchases can result in significant unrealized losses if and when financial markets experience catastrophic declines. The *Adviser* seeks to mitigate the risks associated with long-term purchases by using discretionary stop-loss orders, stop-loss limit orders, other sell orders as well as purchases to hedge against market fluctuations.

Short-term purchases can result in risk of opportunity loss. For example, an asset that was sold within 1 year may have performed better had it been held for more than 1 year. Moreover, there may be adverse tax consequences in taxable accounts for selling securities within 1 year, and there may be adverse tax consequences for holding a security less than 30 days. Yet, shorter-term activity can reduce the risk of more severe losses that can occur when holding a security during extreme market drops. Using its discretionary authority, the *Adviser* may sell certain positions to minimize risks of severe market declines and accept the risks associated with short-term purchases.

Investment in any security for any length of time carries risk of loss to the investor. Inflation, deflation, oil prices, currency rates, interest rates, economic downturns are only a few of the factors that may expose an investor to loss. The *Adviser* makes every effort to minimize risks through diversification, asset allocation and strategic rebalancing.

Still, portfolio performance is highly dependent on the realities of financial markets and client risk tolerance. While the *Adviser's* investment strategy of combining long-term purchases and short-term purchases is designed to mitigate exposure to various risks, the client must recognize that losses may still occur.

At any point in time, a client's investments will be worth more or less than originally invested. Performance is best assessed over longer time periods (e.g., 5, 7, or 10 years) than evaluated in a matter of months or a single calendar year.

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

There are no disciplinary events.

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

Officers of the *Adviser* may participate in other business activities other than giving investment advice, for which they may be compensated. Officers may, from time to time, engage in writing, marketing or radio broadcasts pertaining to financial topics and may be paid for those activities. Although issuers of exchange-traded products and interested financial companies may compensate the *Adviser* or its subsidiaries, directly or indirectly, for advertising at an *Adviser* web site, the *Adviser* does not explicitly or implicitly endorse the advertised products or services. *The Adviser* may be compensated for these business activities through advertising arrangements at an *Adviser* web site or direct compensation for services rendered.

*The Adviser* may exercise agreements with accounting firms. In these instances, the client understands that he/she is under no obligation to use the services of the accounting firm. If the accounting firm or a representative of the accountancy compensates the *Adviser* or its officers, information regarding compensation would be available to the client.

Associated persons are also insurance agents of various insurance companies. In these capacities associated persons of the *Adviser* may recommend insurance products and receive normal transactions commissions if products are purchased through any firms with which any associated persons are affiliated. Thus, a potential conflict of interest may exist between the interests of associated persons and those of the advisory clients. However, clients are under no obligation to act upon any recommendations of the associated persons or effect any transactions through the associated persons if they decide to follow the recommendations.

Associated persons also hold real estate licenses and may act as real estate agents for companies of their choosing. From time to time, associated persons of the *Adviser* may recommend real estate professionals with whom they are acquainted. However, clients are under no obligation to act upon any recommendations of the associated persons or effect any transactions through the associated persons if they decide to follow the recommendations.

#### **Item 11. Code of Ethics, Participation or Interest in Client Transactions**

At times, the interests of the *Adviser*, and/or related/associated persons may correspond with client interests; this depends on similar goals, objectives, risk tolerance and suitability factors. Associated persons may invest in the same securities that they recommend to clients and this activity is disclosed to clients.

The *Adviser's* principals invest in a wide range of market-based securities. Often, they are the same securities that the *Adviser* has chosen for its clients. If a security is being purchased for several clients on a particular day and time, and the *Adviser's* principals intend to invest in the same security, the *Adviser* uses trade aggregation to avoid potential conflicts of interest in price execution. Trade aggregation (a.k.a. block trading) ensures fairness in price execution for more than one client and/or a combination of client(s) and personnel. Trade aggregation is not employed when the *Adviser* is rebalancing an individual client's portfolio or when *Adviser* principals are rebalancing personal portfolios.

The *Adviser* obtains information from a wide variety of publicly available resources. Advisors do not have, nor claim to have, insider or private knowledge.

The *Adviser* has adopted a Code of Ethics for the purpose of instructing its personnel in their ethical obligations and to provide rules for their personal securities transactions. The *Adviser* and its personnel owe a duty of loyalty, fairness and good faith towards their clients, and the obligation to adhere not only to the specific provisions of the Code but to the general principles that guide the Code.

The Code of Ethics covers a range of topics that includes, but is not limited to: (a) general ethical principles, (b) the reporting of personal securities trading, (c) exceptions to reporting securities trading, (d) initial public offerings and private placements, (e) ethical violations, (f) review and enforcement procedures, (g) record retention, (h) amendments to Form ADV, (i) supervisory processes and, (j) distribution of the Code of Ethics. The *Adviser* will provide a copy of the Code of Ethics to any client or prospective client upon request.

## **Item 12. Brokerage Practices**

Clients establish accounts with an agreed-upon discount brokerage like TD Ameritrade. Clients name the *Adviser* as the manager of their account. As manager, client grants the *Adviser* a Limited Power of Attorney to trade on the client's behalf.

The *Adviser* has the "power of attorney" authority to determine the type and amount of securities to be bought and sold for a client's portfolio. Transactions for the investment management accounts of clients are selected through a discount broker and made by the *Adviser*. The *Adviser* does not require or anticipate client direction of brokerage transactions.

The *Adviser* can invest all amounts in the client account. Clients receive a prospectus directly from the discount broker or the fund or other investment in which client assets are invested. The prospectus discloses fees and risks for that particular investment.

Clients may pay transaction fees to the brokerage firm used for mutual funds, exchange-traded funds, individual bonds, individual stocks and other securities. The discount firm may provide the client with consolidated statements on multiple accounts. All deposits by clients are made directly to the custodial discount broker.

The *Adviser* typically recommends discount brokers like TD Ameritrade. The *Adviser* recommends discount brokers based upon customer service excellence, ease of account accessibility, discount transaction rates, breadth of services and quality of price execution. The discount broker selected must be able to trade no-load mutual funds and no-transaction fee exchange-traded funds (ETFs). The client may or may not pay fees that are higher or lower than fees that may be obtained from another brokerage provider.

The *Adviser* does not receive fees or compensation from recommended discount brokers. However, some discount brokers occasionally provide the *Adviser* with requested assistance for its clients, such as transaction discounts for new clients within the first 30 days. The *Adviser* does not receive "soft dollar benefits" (e.g., research services, other products, etc.) in connection with the establishment of client brokerage accounts. The *Adviser* does not compensate discount brokerages or discount brokerage employees for client referrals.

In placing its orders to purchase or sell securities in accounts, principals of the *Adviser* may elect to aggregate orders. In so doing, the firm will not aggregate transactions unless aggregation is consistent with its duty to seek best execution and the terms of the *Agreement* with each client for which trades are being aggregated; no advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all *Adviser* transactions in that security on a given business day. In addition, before entering an aggregated order, the *Adviser* prepares a written statement ("Pre-Trade Statement") specifying the participating client accounts and how it intends to allocate the order among those clients.

When the aggregated order is filled, it will be allocated among clients in accordance with the Pre-Trade Statement. The above-mentioned aggregation notwithstanding, the *Adviser* often rebalances client accounts on an individual basis. Regular rebalancing activity is tailored to individual client needs and it is not part of the Pre-Trade Statement procedures. Securities purchased individually may be at a higher price or a lower price for various clients, rather than the same price during trade aggregation. The *Adviser*, at all times, pursues the best possible outcomes for each client's account, during trade aggregation and during individualized rebalancing.

### **Item 13. Review of Accounts**

The *Adviser* reviews all client accounts on an ongoing basis, monitoring aggregate positions daily. An officer reviews individual client accounts regularly and performs additional reviews sooner if market conditions (e.g., financial market duress) or client circumstances warrant.

The *Adviser* also provides quarterly updates after the first full quarter with assets under management. Portfolio performance reviews occur at any time at client's request. In addition, clients are offered quarterly and/or annual consultations to discuss ongoing needs and goals.

The *Adviser* may consult more frequently or less frequently with clients, depending on the client's preference. Clients may request account reviews as frequently or as infrequently as each prefers.

Clients receive monthly their respective account statements from investment sponsors and brokerage firm. Clients also receive transaction confirmation statements when transactions occur.

Once a year, by March 31, all clients are offered Form ADV, Part II (including schedule F), and/or a written document containing at least the information required by Part II and the Form ADV in accordance with Rule 204(3). Additionally, clients will be provided the *Adviser's* Privacy Policy one time per year.

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

At times, clients inquire whether they might receive a discount on their assets under management fee for making a referral. Clients often refer family and friends. At the *Adviser's* discretion, the *Adviser* may agree to provide a discount to existing clients who have referred a client. In the same vein, the *Adviser* does not receive any form of economic benefit, award or prize from a person who is not a client.

### **Item 15. Custody**

The *Adviser* does not and will not have custody of client's funds or securities.

### **Item 16. Investment Discretion**

The *Adviser* manages investment portfolios on a discretionary basis or a non-discretionary basis. "Discretionary authority" means that the *Adviser* may make investment decisions without consulting the client beforehand. "Non-discretionary" refers to the fact that the client his/her self makes changes to portfolios. Unless otherwise agreed upon in writing, investment portfolio management is on a discretionary basis such that the *Adviser* has discretionary authority to make decisions on the client's behalf.

### **Item 17. Voting Client Securities**

With Regard to Proxy Voting, the *Adviser* does not exercise any right on behalf of the client to vote their proxies. All Proxy Voting must be done specifically by the client. With a signature acknowledging receipt of this Investment Adviser Disclosure Statement, the client accepts and understands that this will be the only notice in regards to this topic.

### **Item 18. Financial Information**

Fees of \$500, or any amount, are not collected more than 6 months in advance of service performance.



## Program Brochure Supplement:

**Gary A. Gordon**  
**President**

# Pacific Park

Financial, Inc.<sup>TM</sup> **Registered Investment Adviser**

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Date of most recent update: 3/4/2011

## Gary A Gordon: President



### Educational Background and Business Experience

Gary A. Gordon is the chief investment officer and president of Pacific Park Financial, Inc., a Registered Investment Adviser with the Securities and Exchange Commission (SEC). Gary has remained in his roles at Pacific Park Financial, Inc. (the “*Adviser*”) since its inception in 2002.

Gary A. Gordon earned his Master of Science (M.S.) degree from San Diego State University and his Bachelor of Science degree from Arizona State University. In addition, Gary is a Certified Financial Planner™ (CFP®). The Certified Financial Planner™ Board of Standards, Inc. calls for its CFP® professionals to meet education, examination, experience and ethics requirements.

CFP® education requirements require classroom knowledge of estate planning, taxation, retirement planning, insurance, investment and general financial planning principles. CFPs must also have a bachelor's degree from an accredited college or university. CFPs must also earn 30 hours of continuing education credits every 2 years.

CFPs must have passed the CFP® Certification Examination. It assesses one's ability to apply financial planning knowledge to financial planning situations and assures the public that one has met a level of competency that is appropriate for professional practice.

The CFP® Board requires 3 years of full-time relevant personal financial planning experience before one may use the professional designation. Moreover, CFPs must agree to adhere to CFP® Board's *Code of Ethics and Professional Responsibility, Rules of Conduct and Financial Planning Practice Standards*, and acknowledge CFP® Board's right to enforce them through its *Disciplinary Rules and Procedures*.

### Disciplinary Information

There are no disciplinary events.

### Other Business Activities

Gary A. Gordon often engages in financial and non-financial writing. He may be compensated for the activity and he may discuss investment products. Gary may write about, criticize or recommend investments that an advisory client owns or does not own. It follows that any identified investment in Gary's writing may or may not be an existing or a future portfolio holding for a client. At the same time, in the vast majority of instances, Gary's writing activity assists with his interpretation of financial data, enhancing the alignment between Gary's interests in Pacific Park Financial, Inc. (“*the Adviser*”) and the client's interests.

Gary A. Gordon holds an insurance license and may sell insurance. Both as a CFP® as well as a chief investment officer of the *Adviser*, Gary may recommend insurance products to clients when those products are deemed to fit a client need. Gary may or may not receive normal transaction commissions if products are purchased through any insurance firms with which Gary is affiliated. It follows that a potential conflict of interest may exist between the interests of Gary and those of

the advisory clients. However, clients are under no obligation to act upon any recommendations or effect any insurance-related transactions.

Gary A. Gordon also holds a real estate license and may act as a real estate agent. Gary does not and will not sell real estate to existing clients. From time to time, when clients inquire, Gary may recommend outside real estate professionals (e.g., appraisers, mortgage professionals, Realtors, etc.) with whom he is acquainted. Gary may or may not receive financial or non-financial compensation. However, clients are under no obligation to work with or effect transactions with any real estate professional who Gary might recommend.

#### Additional Compensation

No one other than the client compensates Gary A. Gordon for providing service on behalf of the *Adviser*.

#### Supervision

Gary A. Gordon is the chief investment officer, majority owner and a principal of the *Adviser*. As such, there are no higher-level persons with supervisory power over Gary's advice.

With that said, as an officer of the *Adviser*, Gary adheres to rigorous SEC compliance standards. The Adviser's vice president and chief compliance officer, Branden Frazier, monitors and enforces the compliance standards. Branden Frazier can be reached at (949)-600-6294.

## Program Brochure Supplement:

**Branden R. Frazier**  
**Vice President**

# Pacific Park

Financial, Inc.<sup>TM</sup> **Registered Investment Adviser**

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Date of most recent update: 3/4/2011

## Branden R. Frazier: Vice President

### Educational Background and Business Experience

Branden R. Frazier is the chief compliance officer and vice president of Pacific Park Financial, Inc., a Registered Investment Adviser with the Securities and Exchange Commission (SEC). Branden has remained in his roles at Pacific Park Financial, Inc. (the “Adviser”) since 2004.

Branden R. Frazier earned his Master of Business Administration (M.B.A.) degree from the University of Phoenix and his Bachelor of Arts degree from the University of California, Irvine. In addition, Branden is a Certified Financial Planner™ (CFP®). The Certified Financial Planner™ Board of Standards, Inc. calls for its CFP® professionals to meet education, examination, experience and ethics requirements.

CFP® education requirements require classroom knowledge of estate planning, taxation, retirement planning, insurance, investment and general financial planning principles. CFPs must also have a bachelor’s degree from an accredited college or university. CFPs must also earn 30 hours of continuing education credits every 2 years.

CFPs must have passed the CFP® Certification Examination. It assesses one’s ability to apply financial planning knowledge to financial planning situations and assures the public that one has met a level of competency that is appropriate for professional practice.

The CFP® Board requires 3 years of full-time relevant personal financial planning experience before one may use the professional designation. Moreover, CFPs must agree to adhere to CFP® Board’s *Code of Ethics and Professional Responsibility*, *Rules of Conduct* and *Financial Planning Practice Standards*, and acknowledge CFP® Board’s right to enforce them through its *Disciplinary Rules and Procedures*.

### Disciplinary Information

There are no disciplinary events.

### Other Business Activities

Branden R. Frazier also holds a real estate license and may act as a real estate agent. Branden does not and will not sell real estate to existing clients. From time to time, when clients inquire, Branden may recommend outside real estate professionals (e.g., appraisers, mortgage professionals, Realtors, etc.) with whom he is acquainted, Branden may or may not receive financial or non-financial compensation. However, clients are under no obligation to work with or effect transactions with any real estate professional who Branden might recommend.

### Additional Compensation

No one other than the client compensates Branden R. Frazier for providing service on behalf of the Adviser.

### Supervision

Branden R. Frazier is the chief compliance officer, and a principal of the Adviser. As the president of Pacific Park Financial, Inc., Gary A. Gordon has supervisory power over Branden. Gary A. Gordon can be reached at (949) 600-6294.