

**STENSON FINANCIAL CORPORATION**

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**[www.stensonfinancial.com](http://www.stensonfinancial.com)**

**Contact: Robert Stenson**

**ADV Part 2A - Firm Brochure**

**As of January 6, 2012**

**This ADV Part 2A brochure provides information about the qualifications and business practices of Stenson Financial Corporation. If you have any questions about the contents of this brochure, please contact us at (415) 461-8150 or [services@stensonfinancial.com](mailto:services@stensonfinancial.com). The information in this brochure has not been approved or verified by the California state securities authority.**

**Registration with the state of California and reference to an individual or company as a “registered investment advisor” does not imply a certain level of skill or training.**

## **Material Changes**

Since we filed our annual update in March, 2011, we have converted from an SEC registered adviser to being registered with the California Department of Corporations.

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#### **4. Description of Advisory Business**

Stenson Financial Corporation ("Stenson Financial") was incorporated in 1987 and is 100% owned by Robert T. Stenson. The firm became a California state registered investment advisor in November, 1991 and became registered with the SEC in June, 2007. The firm switched its registration from the SEC to become a California state registered advisor in 2011. The company has no subsidiaries or affiliates.

Stenson Financial offers investment management services on a discretionary basis. Most of these investment management services consist of creating and monitoring diversified portfolios of exchange traded funds and no-load mutual funds for client accounts. We may also select individual bonds and other instruments for client accounts. Client funds are held by qualified custodians in bank or brokerage firm accounts.

In certain cases clients may request that we purchase or maintain pre-existing or other securities positions in custodial accounts maintained with us that are not consistent with our investment strategy. In such cases, we typically agree not to charge a fee on such assets, but with the specific understanding that these are non-managed assets for which the client is primarily responsible for determining the suitability of maintaining such a position. We will not sell such securities without specific written approval from the client.

Potential clients are given the current copy of our ADV Part 2A at least 48 hours before entering into the investment advisory relationship with the company. Potential clients are also given our privacy policy.

Clients sign a written advisory agreement with us, which generally gives us discretionary authority to place trades without prior approval from the client, and also allows us to receive proxy materials and vote proxies on the client's behalf, if the client so desires. The agreed-upon initial fee schedule is made part of the investment advisory agreement.

A client file is established for each new client. To meet the investment objectives of the client, we typically require a new client to complete the following documents:

- Estimate of Assets, Liabilities, Income and Expenses - This allows us to understand the significance of the portfolio being managed to the financial well being of the Client. We also ask the Client what his or her goals and future uses are for the portfolio being managed.
- Tax and Income Requirements – We asks the new client to estimate their federal and state tax bracket, as well as need for monthly or yearly income from his or her portfolio.
- Risk Tolerance Questionnaire - This document allows us to judge the type of investments that might be suitable for the client, and the client's ability to withstand potential losses in his or her portfolio, based on the client's appetite for risk. The client also is asked for his or her expectations of securities performance, and any trading restrictions he or she may impose.

- Investment Policy Statement - This statement is designed to clarify the client's unique financial and personal circumstances in order for us to better understand and meet client investment objectives. The Investment Policy Statement describes the client's current situation, risk tolerance, need for liquidity, investment time horizons, specific investment restrictions, distribution requirements and tax considerations

The Investment Policy Statement includes an initial asset allocation, generally between equities, fixed income and cash equivalents. The Investment Policy Statement is reviewed and signed by the client. The signed Investment Policy Statement is included as an exhibit as part of the Investment Management Agreement document.

The Investment Policy Statement will be periodically updated, typically every one to two years.

We then enter the client's basic information such as name, address and account number into Portfolio Center (our portfolio reporting software). We compare the fee schedule entered into this software program against the written client agreement to make sure that they match.

The asset allocation indicated on the client's Investment Policy Statement is made into a more detailed asset allocation by Robert Stenson, the portfolio manager. For example, the stock or equity allocation will then be subdivided between U.S. stock funds and international stock funds, as well as funds owning large companies and funds owning small companies.

This more detailed asset allocation is based upon our research and is intended to provide diversification and an appropriate balance between risk and return. We have discretion to modify this detailed asset allocation based upon our research and assessment of market conditions.

This detailed asset allocation is then entered into our portfolio software. This allows us to compare each client's portfolio holdings to their target asset allocation in their Investment Policy Statement to make sure that we are complying with the agreed upon allocation.

Subsequently, we are free to rebalance a client's portfolio to meet the general investment objectives of the client, including objectives or limitations based on any meetings or specific directions from the client.

If there are any tax considerations that we should be aware of in selling or trading a client's existing securities positions, we document them. If the client requires a level of income that requires periodic liquidation of holdings, we document this too. We do not guarantee or represent ourselves as providing professional tax advice as part of its advisory agreement with its clients.

Stenson Financial does not participate in any wrap programs at this time.

We do not believe that we have any material conflicts of interest in our business activities which could be reasonably expected to impair the rendering of unbiased and objective advice. In accordance with California CCR Section 260.238 (k), we have disclosed any issues that could be considered such conflicts of interest.

All client accounts are managed on a discretionary basis. As of September 30, 2011 we managed \$30,256,448 of client assets on a discretionary basis.

## **5. Fees and Compensation**

Investment management fees are based upon the market value of managed assets, calculated and billed quarterly in advance. The current investment management fee schedule is 1.0% per annum of the first \$1,000,000 in assets, 0.75% of the next \$1,000,000 in assets and 0.5% of the excess over \$2,000,000 in assets. One client is charged a fixed fee of \$900 per quarter.

Lower fees for comparable services may be available from other sources.

All fees and investment minimums may be negotiated under certain circumstances, at the sole discretion of Stenson Financial, based upon the overall client relationship.

As a part of the Stenson Financial discretionary management agreement, clients give Stenson Financial the authority to deduct management fees directly from their custodial account at Charles Schwab. Management fees are assessed quarterly based upon the client's account value at quarter-end.

In addition to the Stenson Financial management fee, client accounts that invest in mutual funds and exchange traded funds also pay, indirectly, investment advisory fees and expenses to the managers of those funds. Most exchange traded funds and some mutual funds are also subject to transaction fees charged by the custodian. For additional information, please review Item 12: Brokerage Practices, later in this brochure.

Investment management services may be canceled by either party with 30 days advance written notice to the other party. Any unearned client fees that have been paid are refunded on a pro-rata basis, based upon the number of days remaining in the quarter that our services were not provided.

No one in the firm receives compensation for selling securities or other investment products.

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

Stenson Financial does not manage accounts using a performance-based fee.

## **7. Types of Clients**

Our clients generally consist of individuals, pension and profit sharing plans, trusts and charitable organizations. We generally require minimum investment assets of \$1,000,000 but have accepted accounts with less than that amount.

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

Most portfolios consist of exchange traded funds and no-load mutual funds. We may also select individual bonds and other instruments, such as certificates of deposit, for client accounts.

Each portfolio is managed according to the asset allocation and any other investment parameters established and agreed to by each client for the portfolio. The financial goals and circumstance of each client are periodically reviewed with appropriate adjustments made to the asset allocation and investment parameters.

We normally employ a buy and hold investment strategy. However, we periodically compare individual fund holdings to alternative options and will replace existing holdings based upon such parameters as performance, volatility, size, magnitude of internal fees and current market valuation.

In determining which securities to purchase for clients, we utilize research material prepared by others, corporate rating services, annual reports and prospectuses and financial newspapers and magazines.

We buy mutual funds and exchange traded funds rather than individual stocks for client portfolios. These funds are generally large and broadly traded, so potential conflicts of interest related to allocation issues are generally not present in our investment management practice.

We also do not purchase securities with limited investment opportunities for our clients. This would include limited partnerships, hedge funds, private equities, closed-end mutual funds, and IPO's (initial public offerings).

The performance history for a fund we are evaluating is reviewed and compared to comparable fund choices. The amount of assets invested in a particular fund is also considered, as are the level of internal management fees and expenses charged against fund assets. For exchange traded funds, the daily trading volume is also considered.

Investing in securities involves risk of loss that clients should be prepared to bear.

Mutual fund investing entails a number of risks including management underperformance, limited liquidity-only at the end of a day, potential capital gains income tax liability embedded in

purchased shares, and performance potentially influenced by purchases or redemptions by other shareholders.

Exchange traded fund investing entails a number of risks including limited liquidity and/or temporary pricing abnormalities based upon market conditions, potentially increased volatility based upon the fully invested nature of passively invested index exchange traded funds

Investing in any type of security entails risk of loss to varying degrees. Clients should be prepared to bear losses when investing in securities.

## **9. Disciplinary Information**

Neither Stenson Financial, nor any of our employees, has had any civil or criminal actions brought against them,

Neither Stenson Financial, nor any of our employees, has had any administrative proceedings before the SEC, any other regulatory agency, any state regulatory agency, or any foreign financial regulatory authority.

Neither Stenson Financial, nor any of our employees, has had any proceedings before a self-regulatory organization.

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

We do not have an affiliation with any broker-dealer or any other investment adviser or financial entity.

No employees of Stenson Financial are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

In addition to providing investment management services, we devote time to other non-investment management activities. We refer to this other area of our work as Family Office Services. In this activity we effectively serve as the Chief Financial Officer for wealthy families. Services can include estate planning and structuring, charitable gift planning, cash management (including bill payment services), bookkeeping and financial reporting, banking and loan advice, tax preparation coordination, property owner's representation, and other general services. Approximately 60% of our time is spent on these multi-family office business management activities.

As part of the family office services offered, we may review, evaluate, and report to the client summaries and analysis of his or her overall investments, but more as a consultant and not as an investment manager. We are normally paid on a retainer fee basis for our work as a family office. Investment planning and monitoring accounts are subject to a \$50,000 annual minimum fee. This minimum fee is negotiable.



While this activity limits the time that we devote to investment management services, we have not found that limitation to be problematic given the small number of current clients that we have in both our investment management and family office businesses. In fact, we believe that much of the investment information obtained from outside money managers and brokers on behalf of family office clients has enhanced our capabilities as investment managers.

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

We have detailed written documents that describe our Code of Ethics, as well as our policies about personal trading and participating in client transactions. The basic overriding concept in our Code of Ethics is that we will always put the client's interests as the top priority and will do our best to avoid any conflicts of interest between our personal interests and those of our clients. We will provide a copy of our written Code of Ethics or our policies regarding personal trading and participating in client transactions to any client or potential client who asks us for it.

Neither Stenson Financial, nor any of its employees, recommends to clients, or buys or sells to client accounts, securities in which we have a direct material financial interest.

Stenson Financial does not buy securities for its own account, therefore no potential conflict of interest exists at the firm level. However, the firm's employees may trade in the same securities which the firm buys or sells for clients and may own securities of issuers whose securities the firm buys and sells for clients. Employee trades may be placed at the same time as those made for clients, provided that they do not receive better execution than those placed for clients.

We buy mutual funds and exchange traded funds rather than individual stocks for client portfolios. These funds are generally large and broadly traded, so potential conflicts of interest related to allocation issues are generally not present in our investment management practice.

We also do not purchase securities with limited investment opportunities for its clients. This would include limited partnerships, hedge funds, private equities, closed-end mutual funds, and IPO's (initial public offerings).

Employee trading is governed by the firm's Code of Ethics. The Code of Ethics requires all access persons to ensure that the interests of clients come first. The Code of Ethics contains a variety of personal trading restrictions, which must be followed by all access persons when trading or considering a trade in the same security as clients, as well as for securities that may not be deemed appropriate or under consideration to purchase for client accounts. All access persons are required to comply with all applicable federal and state securities laws, including those governing insider trading. Initial and annual reports of personal holdings are required of all access persons, and access persons must provide quarterly reports of reportable securities transactions. All access persons trading and holdings are reviewed by the Chief Compliance Officer, or his designee. Access persons not complying with the Code of Ethics may be subject to disciplinary actions.

Stenson Financial does not buy securities for its own account, therefore no potential conflict of interest exists at the firm level. However, personal trading by employees is allowed. In some cases, employees may desire to trade securities that the firm is trading for clients. The potential conflicts of interest are addressed with the firm's Code of Ethics and Personal Trading Policy which is discussed in the previous paragraphs.

## **12. Brokerage Practices**

We select a broker and custodian based on a number of factors. The main selection factors include transaction fees, the number and quality of mutual funds offered, security purchase and sale execution quality, customer service support regarding purchases and sales of securities, online access to client accounts, features of the broker's website including electronic input of orders, availability of software to download transactions from the broker into our portfolio management software, and the financial stability of the broker.

Our general investment strategy is to invest client assets in various no-load mutual funds and exchange traded funds. Having a wide selection of individual mutual funds that meet the needs of our clients is another important selection factor for us in choosing a broker. In addition, the transaction fees that a broker charges for the buying and selling mutual funds and exchange traded funds are also an important selection factor.

For purposes of administrative efficiency, we chose a single custodian, currently Charles Schwab. Having all of our investment management assets at one custodian also allows us to negotiate more effectively for lower transaction fee rates.

We periodically evaluate our custodian relationship on the various criteria stated above. This review process also considers alternate custodians as well as attempting to renegotiate and lower our transaction fee rates with Charles Schwab.

If we decide that a new custodian offers better brokerage and custodial services than our current custodian, we will consider the cost and possible tax consequences of moving client assets to them. Because the cost and effort to change custodians is substantial, a new custodian must offer substantial and verifiable advantages to warrant making a change. We also consider the time and effort that our clients would have to spend to enter into new brokerage and/or custodial agreements.

Research and Other Soft Dollar Benefits. Stenson Financial does not pay for any products, research, or services from Charles Schwab.

In our relationship with Charles Schwab, we are provided access to their institutional trading and custody services, which are typically not available to Schwab retail investors. Schwab's services include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher

minimum initial investment. Services also include software to download transaction and price information into our own portfolio management software.

These Schwab services generally are available to independent investment advisers on an unsolicited basis, at no charge to them as long as a total of at least \$10 million of our clients' assets are maintained in accounts at Schwab Institutional. These services are not otherwise contingent upon us committing to Schwab any specific amount of business (assets in custody or trading).

We do not use client brokerage commissions (transaction costs) paid to Charles Schwab for the purposes of obtaining research or other services. Trade execution is done on a best execution basis.

As brokerage commissions (transaction costs) are paid directly to Charles Schwab, and we do not use client brokerage commission to obtain research or other services, our incentive is for clients to receive best execution.

We do not cause clients to pay commissions (transaction costs) higher than those charged by other Broker-Dealers in return for soft dollar benefits.

All information received from third parties is used to benefit all clients.

Stenson Financial does not pay for any products, research or services with client brokerage. However, even trading with Charles Schwab on a best execution basis results in access to some general economic, factual company specific and/or regulatory and compliance information regardless of commissions paid, which Stenson Financial does receive in limited instances. The information received is not dependent on commission rates paid.

Stenson Financial does not direct commissions (transaction costs) to Broker-Dealers in return for soft dollar benefits.

Brokerage for Client Referrals. Stenson Financial does not consider referrals when we select or recommend Broker-Dealers.

Directed Brokerage. Stenson Financial has discretionary authority to select the Broker-Dealer for custodial and execution services. The Broker-Dealer is chosen based upon criteria such as, but not limited to, reasonableness of commissions charged to the client, tools and services made available to the client and Stenson Financial, and convenience of access to the account trading and reporting. Stenson Financial has chosen Charles Schwab as its preferred custodian for client accounts. Stenson Financial may accept client accounts custodied at other Broker-Dealers if there is an existing relationship between the Broker-Dealer and client at the sole discretion of Stenson Financial.

#### Aggregation of Orders

Stenson Financial client portfolios consist primarily of exchange traded funds and no-load mutual funds, therefore orders are entered individually and not on an aggregate basis. We may also select

individual bonds and other instruments, such as certificates of deposit, for client accounts and those orders would be entered on an individual basis as well.

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

Stenson Financial reviews each account on an ongoing basis, with an in-depth review performed on a quarterly basis. Accounts are reviewed more frequently as the result of a dramatic change in economic or market conditions or changes in a client's personal or financial circumstances. The review is performed by Robert Stenson, President.

The quarterly review gives particular attention to asset allocation, position sizes, and taxable consequences as compared to the account's investment objectives and guidelines. The result of a review may be either changing specific portfolio holdings, or rebalancing the holdings to the current asset allocation of the portfolio. Most often the quarterly review results in rebalancing the existing holdings to the percentage targets established for the account, although rebalancing is typically not done every quarter. The result of a review may also result in no changes at all to an account.

We provide summary investment reports quarterly. Our reports are reconciled with Schwab statements. Our reports give detailed information regarding each position held (e.g. quantity held, cost, current market price, aggregate market value, dividends and interest paid), and itemizes the market value of assets under management, which we use as the basis for calculating fees.

Security valuations on our reports are based on market prices as provided by our custodians or generally-accepted information sources such as Thomson-Reuters. Quarterly and year-to-date investment performance after investment management fees is provided on each quarterly report. Each quarterly report also lists various market index performance data for informational purposes. Annual summaries of realized gains are provided at year end.

Charles Schwab also delivers statements at least quarterly to clients.

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

We don't have relationships with any individuals or entities that provide referrals to us for compensation. Similarly, we don't have relationships with any individuals or entities that provide advisory services to our clients with whom we have any financial relationship.

### **15. Custody**

We currently have five trust accounts where we are deemed to have custody of client funds. These situations are not related to advance payment of investment management fees, but rather

are accounts where clients have authorized us to have more expansive cash withdrawal powers than the powers authorized with the typical Charles Schwab Limited Power of Attorney form.

We are not aware of any situation related to our having custody in some client accounts that would impair our ability to meet our contractual commitment to these clients. However, we urge these clients to monitor their accounts and to compare our quarterly reports to the Charles Schwab statements for accuracy.

Stenson Financial also has the authority to deduct management fees directly from client accounts at Charles Schwab.

## **16. Investment Discretion**

All of our accounts are discretionary. Our clients execute our investment advisory agreement and a Charles Schwab limited power of attorney form, which gives us complete discretion over the selection and amount of securities to be bought or sold, without obtaining prior specific client consent, except as noted below. Clients are also provided the current ADV Part 2A and B, along with our Privacy Policy.

As part of our planning process prior to completing a client's investment advisory agreement, we establish an asset allocation based upon the goals, risk tolerance and financial resources of the client. This is agreed to and signed by both us and the client and attached as a separate exhibit to the investment management agreement. This is periodically reviewed and updated.

In certain cases clients may request that we purchase or maintain pre-existing or other securities positions in their accounts maintained that are not consistent with our investment strategy. In such cases, we typically agree not to charge a fee on such assets, but with the specific understanding that these are non-managed assets for which client is primarily responsible for determining the suitability of such a position. We will not monitor these securities and will not sell such securities without specific written approval from the client.

Because we manage more than one account and also spend time operating our family office practice, there may be conflicting demands on our time. We attempt to resolve any such conflict in a manner that we believe to be fair and equitable to all of our clients.

In addition, we may take action with respect to any of our clients which differs in timing or nature from the action taken with respect to another client. Advice offered to one client may differ from that offered to another.

However, we retain discretion to determine whether an investment is practical or desirable for any particular client. We may acquire securities for one client, which are not deemed appropriate for another. We take into account clients' investment objectives when making investment decisions. Also, our employees may personally trade in securities, which we do not deem appropriate for our clients, subject to compliance with our Code of Ethics.

## **17. Voting Client Securities**

Most clients have given us the responsibility of voting proxies for the securities in their accounts. We have established proxy voting policies and procedures which state the guidelines that we follow in deciding on the responses to the questions stated on the annual or special proxy ballots that a securities issuer presents.

Our proxy voting policies and procedures are designed to ensure that proxies are voted in the best interests of the clients. In general, the proxy voting policies and procedures assume that it is in the best interests of clients to maximize shareholder value. We ordinarily support the current management of a company or fund unless they recommend actions that we deem to be contrary to the shareholders' interests.

Even if we have authority to vote proxies, clients are free to instruct us to vote their proxies in a particular manner. If they wish to do this, we ask that they send us an email or other written instruction to document their instruction to us.

We will send a copy of our proxy voting policies and procedures to any client who requests them. We will also supply information to any client on how proxies were voted in that client's portfolio.

To protect client confidentiality, we do not disclose our overall voting to any individual client, or to the public.

Not all clients elect to have us vote proxies. In such cases, proxy materials are mailed to the clients directly from our custodian Charles Schwab. Clients who have questions about voting proxy materials are welcome to contact us with any questions they have about a particular solicitation.

## **18. Financial Information**

Stenson Financial does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance.

We do have discretionary authority over all client accounts and custody of certain client accounts, however, are not aware of any financial condition that is reasonably likely to impair our ability to meet our contractual obligations to clients.

Stenson Financial has never been the subject of a bankruptcy petition.

19. **Statement for State Registered Advisors**

The sole person giving investment advice for our company is Robert T. Stenson, whose information is as follows:

Name: Robert T. Stenson, President.

Education: University of Michigan in Ann Arbor, Michigan, B.S.E. in Mechanical Engineering, 1969 and Harvard Business School in Boston, Massachusetts, Masters degree in Business Administration, 1973.

Business Experience:

1987 to Present, President of Stenson Financial Corporation in Larkspur, California, since its formation in 1987.

Robert T. Stenson formerly was a Certified Public Account (CPA) and Certified Financial Planner (CFP), however, he relinquished his designations in order to pursue investment management.

As indicated in the Other Financial Industry Activities and Affiliations section of this document, we spend approximately 60% of our time on family office services and the balance of time in our investment advisory business.

We do not charge any performance based fees. Our fees are generally based upon a percentage of client assets as described in the Fees and Compensation section of this document.

We have never been subject to a litigation or arbitration claim related to any of our business activities, nor have we paid any claims or awards related to a complaint in a civil action, self-regulatory organization or administrative proceeding of any kind.

Finally, neither our firm nor any of our employees have a financial relationship or arrangement with any issuer of securities.

**STENSON FINANCIAL CORPORATION**

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**Contact: Robert Stenson**

**ADV Part 2B - Brochure Supplement**

**January 6, 2012**

**This brochure supplement provides information about Robert T. Stenson that supplements the Stenson Financial Corporation brochure. You should have received a copy of that brochure. Please contact Stenson Financial if you did not receive the Stenson Financial brochure or if you have any questions about the contents of this supplement.**

**Additional information about Robert T. Stenson is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**



## **2. Educational Background and Business Expertise**

Name: Robert T. Stenson, President.

Education: University of Michigan in Ann Arbor, Michigan, B.S.E. in Mechanical Engineering, 1969 and Harvard Business School in Boston, Massachusetts, Masters degree in Business Administration, 1973.

Business Experience:

1987 to Present, President of Stenson Financial Corporation in Larkspur, California, since its formation in 1987.

Robert T. Stenson formerly was a Certified Public Account (CPA) and Certified Financial Planner (CFP), however, he relinquished his designations in order to pursue investment management.

## **3. Disciplinary Information**

Investment Advisers are required to disclose any legal or disciplinary events that may be material to a client's or prospective client's evaluation of the investment adviser's representatives.

Robert T. Stenson has no legal or disciplinary events applicable to this item.

## **4. Other Business Activities**

In addition to providing investment management services, we devote time to other non-investment management activities. We refer to this other area of our work as Family Office Services. In this activity we effectively serve as the Chief Financial Officer for wealthy families. Services can include estate planning and structuring, charitable gift planning, cash management (including bill payment services), bookkeeping and financial reporting, banking and loan advice, tax preparation coordination, property owner's representation, and other general services. Approximately 60% of our time is spent on these multi-family office business management activities.

As part of the family office services offered, we may review, evaluate, and report to the client summaries and analysis of his or her overall investments, but more as a consultant and not as an investment manager. We are normally paid on a retainer fee basis for our work as a family office. Investment planning and monitoring accounts are subject to a \$50,000 annual minimum fee. This minimum fee is negotiable.

## **5. Additional Compensation**

Robert T. Stenson receives a regular salary and bonus from Stenson Financial. Additionally, Mr. Stenson receives compensation for the services provided to the family office clients as previously described in Item 10 of Form ADV Part 2A and Item 4 of Form ADV Part 2B.

## **6. Supervision**

Robert T. Stenson is the President of Stenson Financial Corporation. Mr. Stenson is subject to the Stenson Financial Code of Ethics and other firm procedures and policies. Mr. Stenson oversees and is responsible for all investment related management of the Stenson Financial clients as allocated to Stenson Financial in a client's investment advisory agreement.

## **7. Requirements for State-Registered Investment Advisers**

In addition to the events required to be listed in Item 3 of this brochure supplement (above), state-registered investment advisers are required to disclose if a representative has been involved in any of a list of specified events, such as being found liable in certain enumerated arbitration claims, being found civilly liable in certain enumerated civil or administrative proceedings, or being the subject of a bankruptcy proceeding.

Robert T. Stenson has not been involved in any of the events required to be disclosed in this item. Mr. Stenson has not been found liable in any of the enumerated arbitration claims, civil litigation proceedings, or administrative proceedings. Additionally, Mr. Stenson has not been the subject of a bankruptcy proceeding.