

Robert Gordon & Associates, Inc.

A Registered Investment Advisor
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IMPORTANT INFORMATION YOU SHOULD KNOW

ABOUT ROBERT GORDON & ASSOCIATES, INC.

By

Bob Gordon, MS, CFP®
President

Investment Advisor Disclosure

This brochure provides information about the qualifications and business practices of Robert Gordon & Associates, Inc. If you have any questions about the contents of this brochure, please contact us at above phone number or email address. 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. It is required by the Investment Advisors Act of 1940, Rule 204-3; otherwise known as the "brochure" rule and must be given to all potential clients by Investment Advisors prior to any contractual agreement. Registration does not imply a certain level of skill or training. Robert Gordon & Associates, Inc. CRD number is 106037.

Revised 03/10/17

(Item 1) Cover Page

(Item 2) Materials Changes

Since the ADV 2011 filing, the Firm has the following material changes to report:

- Nicholas R. Gordon, MS, CFP®, MPAS® joined the Firm effective July 1, 2015.
- The Firm has updated its assets under management.
- The Firm has moved to SEC registration.

All required disclosures are now incorporated in this document.

(Item 3) Table of Contents

Table of Contents

Item 1: Cover Page

Item 2: Material Changes

Item 3: Table of Contents

Item 4: Advisory Business

Item 5: Fees and Compensation

Item 6: Performance Fees and Side-by-Side Management

Item 7: Types of Clients

Item 8: Methods of Analysis, Investment Strategies and risk of Loss

Item 9: Disciplinary Information

Item 10: Other Financial Industry Activities and Affiliations

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Item 12: Brokerage Practices

Item 13: Review of Accounts

Item 14: Payments for Client Referrals & Other Compensation

Item 15: Custody

Item 16: Investment Discretion

Item 17: Voting Client Securities

Item 18: Financial Information

(Item 4) Advisory Business

Robert A. Gordon, CFP®, M.S is the principal owner of Robert Gordon & Associates, Inc., that was founded in 1983. We are a financial planning and professional money management firm registered with the Securities and Exchange Commission as a corporate Registered Investment Advisor. Our SEC file number is 801-33642 and CRD file number is 106037. We also maintain a current notification filing with the Illinois Securities Department.

We offer sound financial planning advice regarding taxes, investments, insurance, pensions, retirement, estate planning, and general financial matters. Also, an ongoing consultation service is available for clients who need frequent advice. We tailor our advisory services to the individual needs of clients and clients may impose restrictions on investing in other types of securities. Currently, 80% of our advisory services involve investment supervisory services, 10% involve advice not involving securities, and the remaining 10% involves all other advice. As of December 31, 2016 the firm managed assets valued at \$134,575,000, all on a non-discretionary basis.

We track a client's investments, keep track of the current market value and advise periodic changes. We meet as often as necessary with clients and review accounts for changes in investments and for ongoing financial planning purposes. The system is computerized and clients periodically receive a detailed report of their investments. We reserve the right to select accounts. All assets are managed under limited power of attorney, meaning the client retains custody of all funds and securities and must provide us with written, faxed or emailed authorization to enact purchases or sales of securities. Our minimum initial account size is \$50,000.

This service may appeal to persons too busy to manage their own accounts, athletes and entertainers, persons confined to institutions or those who simply feel uncomfortable managing their own investments. Currently, we utilize the services of Schwab Institutional - a division of discount broker Charles Schwab & Company Financial Advisor Services. Charles Schwab & Company provides a low-cost holding account. Robert Gordon & Associates, Inc., provides the advice.

(Item 5) Fees and Compensation

Our current hourly rate is \$125.00/hour to \$250.00/hour for financial planning and estate planning consultations. However, in most cases we will quote a flat fee, in advance, for our services. Complete financial plans range in cost from \$1500 to \$5,000 and up depending on the complexity of the plan.

Money management clients are charged a fee based upon the percentage of assets under management, billed quarterly. Fees are calculated as follows: under \$50,000, the quarterly fee will be 0.375% with a minimum quarterly fee of \$50; over \$50,000, but under \$1,000,000 the

quarterly fee will be 0.25%; over \$1,000,000, the fee is negotiable. Fees can be either deducted from client assets or billed at the discretion of the client.

The company evaluated all services offered by brokerage firms before choosing Charles Schwab & Company and it reviews these relationships on, at least, an annual basis to insure that our client's interests are well served at a fair value.

Pursuant to Section 130.846 of the Rules "an advisory client has the right to terminate the contract without penalty within (5) business days after entering into the contract." If and when a client terminates, fees would be pro-rated.

(Item 6) Performance Fees and Side-by-side Management

Robert Gordon & Associates, Inc. does not participate in any performance fee structure.

(Item 7) Types of Clients

Individuals, businesses, financial institutions, associations and governmental bodies.

(Item 8) Methods of Analysis, Investment Strategies and Risk of Loss

We do not use technical analysis or charting. We primarily use a fundamental approach deriving our information from trade journals, financial newspapers and magazines, research material prepared by others, annual reports, prospectuses, seminars and other sources as we feel beneficial to our clients. We do not utilize timing services, instead concentrating on client's objectives for their long, median and short-term goals. Investing in securities involves risk of loss that clients should be prepared to bear.

Robert Gordon & Associates has a supervisory procedure in place to review all purchases and sales of securities, of any type, done by its employees on a quarterly basis. Employee purchases and sales must be approved, in writing, prior to the completion of the actual purchase or sale of securities.

(Item 9) Disciplinary Information

Robert Gordon & Associates, Inc. and its advisors have had no disciplinary action taken against them.

(Item 10) Other Financial Industry Activities and Affiliations

Advisors at Robert Gordon and Associates, Inc. have affiliations with the Financial Planning Association, The American Business Club, The Greater Springfield Chamber of Commerce and The Sangamon Valley Estate Planning Council.

(Item 11) Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Introduction

This Code of Ethics expresses our recognition of our responsibilities to the public, to clients, to colleagues, and to employees. These principles apply to all of our employees and provide guidance to them in the performance of their professional service.

Principle 1 – Integrity: Our staff shall offer and provide professional services with integrity.

Employees of Robert Gordon & Associates, Inc. may be placed, by clients, in positions of trust and confidence. The ultimate source of such public trust is our personal integrity. In deciding what is right and just, we rely on our integrity as the appropriate touchstone. Integrity demands honesty and candor, which must not be subordinated to personal gain and advantage. Within the characteristic of integrity, allowance can be made for innocent error and legitimate difference of opinion; but integrity cannot co-exist with deceit or subordination of one's principles. Integrity requires us to observe not only the letter but also the spirit of this Code.

Principle 2 – Objectivity: Our staff shall be objective in providing professional services to clients.

Objectivity requires intellectual honesty and impartiality. It is an essential quality for any professional. Regardless of the particular service rendered or the capacity in which we function, we shall strive to protect the integrity of our work, maintain objectivity, and avoid subordination of our judgment that would be in violation of this Code.

Principle 3 – Competence: Our staff shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which we are engaged.

An individual is competent only when he/she has attained and maintained an adequate level of knowledge and skill, and applies that knowledge effectively in providing services to clients. Competence also includes the wisdom to recognize the limitations of that knowledge and when consultation or client referral is appropriate. In addition to assimilating the common body of knowledge required and acquiring the necessary experience, we shall make a continuing commitment to learning and professional improvement.

Principle 4 – Fairness: Our staff shall perform professional services in a manner that is fair and reasonable to clients, principals, partners and employees, and shall disclose conflict(s) of interest in providing such services.

Fairness requires impartiality, intellectual honest, and disclosure of conflict(s) of interest. It involves a subordination of one's own feelings, prejudices, and desires to achieve a proper balance of conflicting interests. Fairness is treating others in the same manor that you want to be treated and is an essential trait of Robert Gordon & Associates, Inc.

Principle 5 – Confidentiality: Our staff shall not disclose any confidential client information without the specific consent of the client unless in response to proper legal process, to defend against charges of wrongdoing, or in connection with a civil dispute.

A client, by seeking our services, may be interested in creating a relationship of personal trust and confidence. This type of relationship can only be built upon the understanding that information supplied to us will be confidential. In order to provide the contemplated services effectively and to protect the client's privacy, we shall safeguard the confidentiality of such information.

Principle 6 – Professionalism: Our staff's conduct in all matters shall reflect credit upon the profession.

Because of the importance of the professional services rendered by our firm, there are attendant responsibilities to behave with dignity and courtesy to all those who use those services, fellow professionals, and those in related professions. We also have an obligation to cooperate with fellow financial professionals to enhance and maintain the profession's public image and to work jointly with other financial professionals to improve the quality of services. It is only through the combined efforts of all financial professionals in cooperation with other professionals, that this vision can be realized.

Principle 7 – Diligence: Our staff shall act diligently in providing professional services.

Diligence is the provision of services in a reasonably prompt and thorough manner. Diligence also includes proper planning for and supervision of the rendering of professional services.

(Item 12) Brokerage Practices

Robert Gordon & Associates, Inc. may recommend/require that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. (Schwab), a Financial Industry Regulatory Authority (FINRA) - registered broker-dealer, member Securities Investor Protection Corporation (SIPC), to maintain custody of clients' assets

and to effect trades for their accounts. Although Robert Gordon & Associates, Inc. may recommend/require that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. Robert Gordon & Associates, Inc. is independently owned and operated and not affiliated with Schwab.

Schwab Institutional also makes available to Robert Gordon & Associates, Inc. other products and services that benefit Robert Gordon & Associates, Inc. but may or may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of Robert Gordon & Associates, Inc. accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist Robert Gordon & Associates, Inc. in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of Robert Gordon & Associates, Inc. fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help Robert Gordon & Associates, Inc. manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to Robert Gordon & Associates, Inc. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment to Robert Gordon & Associates, Inc. personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, Robert Gordon & Associates, Inc. may take into account the availability of some of the products, services and other arrangements as part of the total mix of factors it considers and not solely the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

(Item 13) Review of Accounts

Client advisory accounts are reviewed on a quarterly basis, triggered by the calendar quarter. Some clients also receive, for additional compensation, reviews regarding other assets and concerns not covered under our asset management agreements. The triggering factor is daily

changes to client account valuations and/or client requests. Richard L. Stone, CFP®, Robert A. Gordon, CFP®, and Nicholas R. Gordon, CFP® review client accounts on a portfolio basis.

Clients receive account statements in writing on monthly and/or quarterly basis. Additional reports showing transaction summaries, investment performance, and account status are prepared upon client request. Planners may arbitrarily sent reports or items of interest to clients as they deem necessary and in the best interests of the client. Clients receive quarterly newsletters, which contain financial articles of general interest. Clients who participate in the asset management program also receive quarterly statements, which show how fees were calculated for the previous quarter.

(Item 14) Payment of Client Referrals

Robert Gordon & Associates, Inc. does not pay for client referrals.

(Item 15) Custody

Schwab provides Robert Gordon & Associates, Inc., with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's clients' assets are maintained in accounts at Schwab Institutional. These services are not contingent upon Robert Gordon & Associates, Inc. committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, 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.

For Robert Gordon & Associates, Inc. client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts. Clients receive account statements on monthly basis from Schwab and we urge clients to compare the account statements they receive from Schwab with the monthly and or quarterly statement that you may receive from Robert Gordon & Associates, Inc.

(Item 16) Discretion

Robert Gordon & Associates, Inc. does not exercise discretionary control of a client's assets. Clients must approve all transaction prior to their occurrence.

(Item 17) Voting

Robert Gordon & Associates, Inc. does not exercise any proxy voting on behalf of the client. Clients maintain their voting privileges.

(Item 18) Financial Information

Robert Gordon & Associates has a supervisory procedure in place to review all purchases and sales of securities, of any type, done by its employees on a quarterly basis. Employee purchases and sales must be approved, in writing, prior to the completion of the actual purchase or sale of securities. Robert Gordon & Associates does not require prepayment of annual fees for either fee based financial planning or asset management, all fees are paid in arrears after services have been rendered.

(Item 19) Requirements for State Registered Advisers

Privacy Statement

Item 19 A:

Robert A. Gordon, MS, CFP® – Biography Attached

Robert A. Gordon is the sole principal executive officer and management person

Richard L. Stone, CFP® – Biography Attached

Richard L. Stone is the Director of Operations for Robert Gordon & Associates, Inc.

Nicholas R. Gordon, MS, CFP®, MPAS® - Biography Attached

Nicholas R. Gordon is the Director of Client Development for Robert Gordon & Associates, Inc.

Item 19 B:

Robert A. Gordon is not involved in any other business

Richard L. Stone is not involved in any other business

Nicholas R. Gordon is not involved in any other business

Item 19 C:

Robert Gordon, Richard Stone or Nicholas Gordon do not provide performance-based services, nor charge a fee for such.

Item 19 D:

Robert Gordon, Richard Stone or Nicholas Gordon have not been involved in any of these events.

Item 19 E:

Robert Gordon, Richard Stone or Nicholas Gordon have not been involved in any of these events.

Privacy Statement (Short Form Initial Notice)

**Robert Gordon & Associates, Inc.
1201 Veterans Pkwy, Suite A
Springfield, IL 62704**

Robert Gordon & Associates, Inc., an independent financial planning firm, is committed to safeguarding the confidential information of its clients. We hold all personal information provided to our firm in the strictest confidence. These records include all personal information that we collect from you or receive from other firms in connection with any of the financial services provided by Robert Gordon & Associates, Inc. We also require other firms with whom we deal to restrict the use of your information.

A complete privacy statement concerning our firm's policy is available upon request. You may obtain it in person, or through a written or electronically delivered request to rga@rga-advisors.com, or simply by calling us at 217-698-4844.

Robert A. Gordon, MS, CFP®
CRD#1479718

Bob Gordon, president of Robert Gordon & Associates, Inc. was born October 17, 1955. He has a Bachelor of Arts degree in Economics, a Master of Science degree in Financial Planning, and holds a CERTIFIED FINANCIAL PLANNER™ designation from the College for Financial Planning in Denver, Colorado. He resides in Springfield, Illinois with his wife Lanae and has 2 children, Nicholas and Ashley.

Robert Gordon & Associates, Inc. is a fee-only financial planning firm and a Registered Investment Adviser. The firm has specialized in retirement and estate planning matters since 1983.

Mr. Gordon is the founder and past president of the Central Illinois Chapter of the International Association for Financial Planning (now known as the Financial Planning Association or FPA). Other organization memberships include The American Business Club, The Greater Springfield Chamber of Commerce and The Sangamon Valley Estate Planning Council. He has been involved in the financial services industry since 1979.

Mr. Gordon has conducted over 1000 investment seminars and workshops throughout the Midwest. In addition, Mr. Gordon acts as an expert witness in securities fraud and suitability cases, and was an approved Arbitrator with the National Association of Securities Dealers, Inc.

His previous employment includes a Securities Broker/Dealer serving as partner and Director of Operations, a financial services agency, a Real Estate firm where he acted as a Broker/owner and the Illinois Bureau of the Budget where he held the title of Financial Analyst.

He has been featured in local newspaper columns, financial magazines, and on several Springfield area radio and TV stations. Most noteworthy were his popular “Tax Tips” programs and “Personal Finance Column”. He is frequently called on by the local news media for a source of Financial Planning, Estate and Investment advice and comment.

Richard L. Stone, CFP®
CRD#1216059

Rik Stone, Director of Operations of Robert Gordon & Associates, Inc. was born May 25, 1963. He has a Bachelor of Science Degree in Business Administration from Illinois State University in Normal, Illinois. He is a graduate of the College for Financial Planning, CFP® Professional Education Program. He holds a CERTIFIED FINANCIAL PLANNER™ designation from the College of Financial Planning in Denver, Colorado. He resides in Pleasant Plains, Illinois with his wife Tammy, and has three children, Morgan, Cody, and Trevor.

Mr. Stone was Secretary of the Central Illinois Chapter of the Financial Planning Association (FPA). Organizational memberships include Illinois State University Alumni Association, Sangamon Valley Estate Planning Council, and The Greater Springfield Chamber of Commerce. He has also participated in many fund raising activities for other various local charitable organizations and is active in his church.

Mr. Stone is Director of Operations with Robert Gordon & Associates, Inc. and has conducted over 1500 seminars and workshops throughout the Midwest on various topics regarding Retirement, Estate and Investment Planning.

Mr. Stone was selected to be in the Springfield Business Journal's "Forty Under 40" 2001 class. He was also selected to be the subject of a biography in Marquis Who's Who in Finance and Industry 1991 - 1992, edition. He has been featured in local newspaper columns and on Springfield area radio and television stations. Most noteworthy were his popular "Ask the Professionals" and "Personal Finance Column". These topics of discussion include Investment Advice, Financial, Estate, Business and Retirement Planning.

Nicholas R. Gordon, MS, CFP®, MPAS®
CRD#5958087

Nic Gordon, Director of Client Development, was born August 1, 1986. He attended the University of Missouri in Columbia for his undergraduate studies and attained a degree of Bachelor of Science in Business Administration with an emphasis in Business Management and minor in Psychology. He is a graduate of the College for Financial Planning and holds the CERTIFIED FINANCIAL PLANNER™ designation. He also earned the degree Master of Science Personal Financial Planning and Master Planner Advanced StudiesSM. Nic resides in Springfield, Illinois.

Nic has been involved in the financial services industry since 2007. Most recently, Nic worked as an advisor in the High Net Worth division for one of the biggest mutual fund firms in Kansas City, Missouri.

In addition to providing financial planning and money management services to our clients, Nic will also be involved with strategic planning for the firm.