

SHFP, LLC

Brochure

Dated January 1, 2024

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This brochure provides information about the qualifications and business practices of SHFP, LLC. If you have any questions about the contents of this brochure, please contact us at (914) 771-5277 or scopeland.shfp@verizon.net. 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 SHFP, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

References herein to SHFP, LLC as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.

Item 2 Material Changes

This brochure dated January 1, 2024, has been prepared by SHFP, LLC to meet SEC requirements. This section of the brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this document on the public disclosure website (IAPD) www.adviserinfo.sec.gov.

The brochure has had no material changes since the document dated January 1, 2023.

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Item 4 Advisory Business

- A. SHFP, LLC (the “Firm” or “SHFP”) is a limited liability company formed on April 28, 2014 in the State of New York. SHFP became registered as an Investment Adviser Firm in May 2014. SHFP is owned by Steven P. Copeland, the Firm’s Managing Member and Chief Compliance Officer.
- B. As discussed below, SHFP offers to its clients (individuals, high net worth individuals, and business entities, etc.) investment advisory services, and, to the extent specifically requested by a client, financial planning and related consulting services.

INVESTMENT MANAGEMENT SERVICES

The Firm may be engaged to provide non-discretionary investment advisory services on a *fee-only* basis. SHFP’s annual investment advisory fee is based upon a percentage (%) of the market value of the assets placed under its management. SHFP’s annual investment advisory fee shall include investment advisory services, and, to the extent specifically requested by the client, financial planning and consulting services. In the event that the client requires extraordinary planning and/or consultation services (to be determined in the sole discretion of the Firm), SHFP may determine to charge for such additional services, the dollar amount of which shall be set forth in a separate written notice to the client.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interests ahead of yours.

Under this special rule’s provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

SHFP may be engaged to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone separate fee basis. Prior to engaging SHFP to provide planning or consulting services, clients are generally required to enter into a *Financial Planning and Consulting Agreement* with SHFP setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is

due from the client prior to SHFP commencing services. If requested by the client, SHFP may recommend the services of other professionals for implementation purposes. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from SHFP. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client's responsibility to promptly notify SHFP if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising the Firm's previous recommendations and/or services.

Retirement Rollovers-No Obligation/Conflict of Interest: A client leaving an employer typically has four options (and may engage in a combination of these options): 1) leave the money in his former employer's plan, if permitted, 2) roll over the assets to his/her new employer's plan, if one is available and rollovers are permitted, 3) rollover to an Individual Retirement Account (IRA), or 4) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences).

SHFP may recommend an investor roll over plan assets to an IRA managed by SHFP. As a result, SHFP may earn an asset-based fee; however, **SHFP does actively manage most of its client's current employer retirement accounts and already earns a management fee on these accounts. There is therefore there is little or no conflict of interest in the recommended action.**

There are various factors that SHFP may consider before recommending a rollover, including but not limited to: i) the investment options available in the plan versus the investment options available in an IRA, ii) fees and expenses in the plan versus the fees and expenses in an IRA, iii) the services and responsiveness of the plan's investment professionals versus those of SHFP, iv) required minimum distributions and age considerations, and vi) employer stock tax consequences, if any. No client is under any obligation to roll over plan assets to an IRA managed by SHFP.

SHFP provides advice regarding the company retirement accounts for most clients and charges an AUM fee based on these accounts. Therefore, the decision to rollover these accounts to an IRA once you become a client, should not generally impact the advisor's compensation.

MISCELLANEOUS

Non-Investment Consulting/Implementation Services. To the extent requested by the client, SHFP *may* provide consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Neither SHFP, nor any of its representatives, serves as an attorney, accountant, or licensed insurance agent, and no portion of the Firm's services should be construed as same. To the extent requested by a client, SHFP may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from SHFP. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client's responsibility to promptly notify SHFP if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising SHFP's previous recommendations and/or services.

Please Note: Non-Discretionary Service Limitations. Clients that determine to engage SHFP on a non-discretionary investment advisory basis must be willing to accept that SHFP cannot effect any account transactions without obtaining prior verbal consent to any such transaction(s) from the

client. Thus, in the event that SHFP would like to make a transaction for a client's account, and client is unavailable, SHFP will be unable to effect the account transaction (as it would for its discretionary clients) without first obtaining the client's verbal consent.

Client Obligations. In performing its services, SHFP 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. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify SHFP if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/ revising SHFP's previous recommendations and/or services.

Disclosure Statement. A copy of the Firm's written Brochure as set forth on Part 2A of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of the *Investment Advisory Agreement* or *Financial Planning and Consulting Agreement*.

- C. SHFP shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, SHFP shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at anytime, impose reasonable restrictions, in writing, on SHFP's services.
- D. SHFP does not participate in a wrap fee program.
- E. As of January 1, 2024, SHFP had \$71.4 million in assets under management on a non-discretionary basis.

Item 5 Fees and Compensation

A.

INVESTMENT MANAGEMENT SERVICES

The Firm may be engaged to provide non-discretionary investment advisory services on a *fee-only* basis. SHFP's annual investment advisory fee shall be based upon a percentage (%) of the market value and type of assets placed under the Firm's management (between negotiable and 1.00%) as follows:

<u>Assets Under Management</u>	<u>Annual Percentage</u>
First \$500,000	1.00%
Next \$500,000 (from 500,001 to 1,000,000)	0.75%
Next \$2,000,000 (from 1,000,001 to \$3,000,000)	0.50%
Above \$3,000,000	0.33%

SHFP's annual investment advisory fee shall include investment advisory services, and, to the **extent specifically requested** by the client, financial planning and consulting services. In the event that the client requires extraordinary planning and/or consultation services (to be determined in the sole discretion of SHFP), the Firm may determine to charge for such additional services, the dollar amount of which shall be set forth in a separate written notice to the client. The fees for certain

asset types, i.e. current employer 401(k), may be reduced at the discretion of the planner. All fees are negotiable.

The annual fee for investment management services provided are based upon a percentage (%) of the market value of the Assets under management in accordance with the fee schedule in the Agreement signed by the Client. SHFP considers cash to be an asset class and part of Assets under management and subject to the same fee calculation as the Client's non-cash investments. Fees for current employer company retirement plans are charged at 50%, but only if it reduces the total fee.

All fees are negotiable.

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

SHFP may be engaged to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone fee basis. SHFP's planning and consulting fees are negotiable, but generally will be between \$1,500 and \$4,000 on a fixed fee basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s). SHFP may also be engaged to provide financial planning and/or consulting services on an hourly rate basis of \$150 per hour.

- B. Clients may elect to have the Firm's advisory fees deducted from their custodial account. Both SHFP's *Investment Advisory Agreement* and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of the Firm's investment advisory fee and to directly remit that management fee to SHFP in compliance with regulatory procedures. In the limited event that SHFP bills the client directly, payment is due upon receipt of the Firm's invoice. SHFP shall deduct fees and/or bill clients quarterly in arrears, based upon the market value of the assets on the last business day of the previous quarter.
- C. As discussed below, unless the client directs otherwise or an individual client's circumstances require, SHFP shall generally recommend that Fidelity Institutional Investments ("*Fidelity Institutional*") serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as *Fidelity Institutional* charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). In addition to SHFP's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).
- D. SHFP's annual investment advisory fee shall be prorated and paid quarterly, in arrears, based upon the market value of the assets on the last business day of the previous quarter. SHFP generally requires a minimum asset level of \$700,000 for investment management services but this minimum may be adjusted periodically based on workload and availability. The Firm, in its sole discretion, may charge a lesser investment management fee and/or waive or reduce its minimum asset requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

The *Investment Advisory Agreement* between SHFP and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the *Investment Advisory Agreement*. Upon termination, SHFP shall be entitled to receive any earned but not yet collected portion of its investment advisory fees.

- E. Neither the Firm, nor its representatives accept compensation from the sale of securities or other investment products.

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

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

Item 7 Types of Clients

SHFP's clients shall generally include individuals, high net worth individuals, and business entities. The Firm generally requires a minimum asset level of \$750,000 for investment management services. SHFP, in its sole discretion, may charge a lesser investment management fee and/or waive or reduce its minimum asset requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

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

- A. SHFP may utilize the following methods of security analysis:

- Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
- Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)
- Cyclical – (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

SHFP may utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)
- Trading (securities sold within thirty (30) days)

Please Note: Investment Risk. Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by SHFP) will be profitable or equal any specific performance level(s).

- B. SHFP's methods of analysis and investment strategies do not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis SHFP must have access to current/new market information. SHFP has no control over the dissemination rate of market information; therefore, unbeknownst to SHFP, certain analyses may be compiled with outdated market information, severely limiting the value of SHFP's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

SHFP's primary investment strategies - Long Term Purchases, Short Term Purchases, and Trading - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period, involves a very short investment time period but will incur higher transaction costs when compared to a short term investment strategy and substantially higher transaction costs than a longer term investment strategy.

- C. Currently, the Firm primarily allocates client investment assets among various individual equity (stocks), debt (bonds) and fixed income securities, mutual funds and/or exchange traded funds ("ETFs"), on a non-discretionary basis in accordance with the client's designated investment objective(s).

Item 9 Disciplinary Information

SHFP has not been the subject of any disciplinary actions.

Item 10 Other Financial Industry Activities and Affiliations

- A. Neither the Firm, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither the Firm, 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.
- C. SHFP has no other relationship or arrangement with a related person that is material to its advisory business.
- D. SHFP does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

SHFP has a long-standing relationship with Dimensional Fund Advisors LP ("DFA"). The firm utilizes mutual funds and ETFs managed by DFA for a majority of its investment decisions. DFA mutual funds and ETFs may only be purchased by those advisors certified by DFA. SHFP was certified by DFA over 15 years ago and has no written or otherwise enforceable agreement with regard to its approval status with DFA. DFA states that a firm could only lose its DFA certification if the firm were to completely change the investment philosophy to an actively-managed, market timing, or speculative approach.

If a client leaves the relationship with SHFP or SHFP was no longer certified to use DFA mutual funds and ETFs, those investments could be maintained in the client portfolio, however, no additional shares could be purchased unless the client chose to move to another DFA certified advisor. The client may then be required to liquidate those shares if the new advisor is not DFA certified.

SHFP uses Fidelity as its custodian for client accounts. Fidelity currently charges a \$25 ticket charge for DFA mutual fund transactions.

SHFP may receive, as a benefit of its "authorized" status with DFA, uncompensated prospective client referrals from DFA through the DFA website.

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

- A. SHFP maintains an investment policy relative to personal securities transactions. This investment policy is part of SHFP's overall Code of Ethics, which serves to establish a standard of business conduct for all of SHFP's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

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

- B. Neither SHFP nor any related person of SHFP recommends, buys, or sells for client accounts, securities in which SHFP or any related person of SHFP has a material financial interest.
- C. The Firm and/or representatives of SHFP *may* buy or sell securities that are also recommended to clients. This practice may create a situation where SHFP and/or representatives of SHFP are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if SHFP did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of SHFP's clients) and other potentially abusive practices.

SHFP has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of SHFP's "Access Persons". The Firm's securities transaction policy requires that an Access Person of SHFP must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date SHFP selects; provided, however that at any time that SHFP has only one Access Person, he or she shall not be required to submit any securities report described above.

- D. The Firm and/or representatives of SHFP *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where SHFP and/or representatives of SHFP are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above in Item 11 C, SHFP has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of SHFP's Access Persons.

Item 12 Brokerage Practices

- A. In the event that the client requests that SHFP recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct SHFP to use a specific broker-dealer/custodian), SHFP generally recommends that investment management accounts be maintained at *Fidelity Institutional*. Prior to engaging SHFP to provide investment management services, the client will be required to enter into a formal *Investment Advisory Agreement* with SHFP setting forth the terms and conditions under which SHFP shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that SHFP considers in recommending *Fidelity Institutional* (or another broker-dealer/custodian, investment platform and/or mutual fund sponsor) include historical relationship with SHFP, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by SHFP's clients shall comply with SHFP's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where SHFP determines, in good faith, that the commission/transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although SHFP will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, SHFP's investment management fee. The Firm's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

1. Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, SHFP may receive from *Fidelity Institutional* (or another broker-dealer/custodian) without cost (and/or at a discount) support services and/or products, certain of which assist SHFP to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by SHFP may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by SHFP in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that *may* be received may assist SHFP in managing and administering client accounts. Others do not directly provide such assistance, but rather assist SHFP to manage and further develop its business enterprise.

SHFP's clients do not pay more for investment transactions effected and/or assets maintained at *Fidelity Institutional* as a result of this arrangement. There is no corresponding commitment made by SHFP to *Fidelity Institutional* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

SHFP's Chief Compliance Officer, Steven P. Copeland, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.

2. SHFP does not receive referrals from broker-dealers.
3. SHFP does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and SHFP will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by SHFP. As a result, client may pay higher

commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

Please Note: In the event that the client directs SHFP to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through SHFP.

SHFP's Chief Compliance Officer, Steven P. Copeland, remains available to address any questions that a client or prospective client may have regarding the above arrangement.

- B. To the extent that SHFP provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless SHFP decides to purchase or sell the same securities for several clients at approximately the same time. SHFP may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among SHFP's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. SHFP shall not receive any additional compensation or remuneration as a result of such aggregation.

Item 13 Review of Accounts

- A. For those clients to whom SHFP provides investment supervisory services, account reviews are conducted on an ongoing basis by SHFP's Principals and/or representatives. All investment supervisory clients are advised that it remains their responsibility to advise SHFP of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with SHFP on an annual basis.
- B. SHFP *may* conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Firm may also provide a written periodic report summarizing account activity and performance.

Item 14 Client Referrals and Other Compensation

- A. As referenced in Item 12.A.1 above, SHFP may receive an indirect economic benefit from *Fidelity Institutional*. The Firm, without cost (and/or at a discount), may receive support services and/or products from *Fidelity Institutional*.

SHFP's clients do not pay more for investment transactions effected and/or assets maintained at *Fidelity Institutional* as a result of this arrangement. There is no corresponding commitment made by SHFP to *Fidelity Institutional* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

SHFP's Chief Compliance Officer, Steven P. Copeland, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.

- B. SHFP does not compensate, directly or indirectly, any person, other than its representatives, for client referrals.

Item 15 Custody

The Firm shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. SHFP may also provide a written periodic report summarizing account activity and performance. If you are not receiving at least quarterly custodial account statements, please contact us at the number on the cover page of this brochure.

For accounts where the client requests the use of third party Standing Letters of Authorization ("SLOA"), the firm is deemed to have custody of client funds or securities. The firm only authorizes the use of first party SLOAs.

Please Note: To the extent that SHFP provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by SHFP with the account statements received from the account custodian. **Please Also Note:** The account custodian does not verify the accuracy of SHFP's advisory fee calculation.

Item 16 Investment Discretion

SHFP does not provide investment management or implementation services on a discretionary basis.

Item 17 Voting Client Securities

- A. SHFP does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact SHFP to discuss any questions they may have with a particular solicitation.

Item 18 Financial Information

- A. SHFP does not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. SHFP is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. SHFP has not been the subject of a bankruptcy petition.

ANY QUESTIONS: SHFP's Chief Compliance Officer, Steven P. Copeland, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.

Brochure Supplement (Part 2B of Form ADV)

Education and Business Standards

SHFP, LLC requires that advisors in its employ have a bachelor's degree and further coursework demonstrating knowledge of financial planning and tax planning. Examples of acceptable coursework include: an MBA, a CFP®, a CFA, a ChFC, JD, CTFA, EA or CPA. Additionally, advisors must have work experience that demonstrates their aptitude for financial planning and investment management.

Professional Certifications

Employees have earned certifications and credentials that are required to be explained in further detail.

Certified Financial Planner (CFP®): Certified Financial Planners are licensed by the CFP Board to use the CFP® mark. CFP® certification requirements:

Bachelor's degree from an accredited college or university.

Completion of the financial planning education requirements set by the CFP Board (www.cfp.net).

Successful completion of the 10-hour CFP® Certification Exam.

Three-year qualifying full-time work experience.

Successfully pass the Candidate Fitness Standards and background check.

Chartered Financial Analyst (CFA): Chartered Financial Analysts are licensed by the CFA Institute to use the CFA mark. CFA certification requirements:

Hold a bachelor's degree from an accredited institution or have equivalent education or work experience.

Successful completion of all three exam levels of the CFA Program.

Have 48 months of acceptable professional work experience in the investment decision-making process.

Fulfill society requirements, which vary by society. Unless you are upgrading from affiliate membership, all societies require two sponsor statements as part of each application; these are submitted online by your sponsors.

Agree to adhere to and sign the Member's Agreement, a Professional Conduct Statement, and any additional documentation requested by CFA Institute.

Enrolled Agent (EA): Enrolled Agents are enrolled by the Internal Revenue Service and authorized to use the EA designation. EA enrollment requirements:

Successful completion of the three-part IRS Special Enrollment Examination (SEE), or completion of five years of employment by the IRS in a position which regularly interpreted and applied the tax code and its regulations.

Successfully pass the background check conducted by the IRS.

Steven P. Copeland, CFP®

Sole Proprietor and Financial Planner, Date of Birth: 2/15/1956

BS, Business Administration, Syracuse University School of Management, 1978

Fordham University Graduate School of Business, MBA coursework (1/2 required credits), 1985-86

College for Financial Planning – Certificate, 2003, CFP Professional Education Program

Safe Harbor Financial Planning – Proprietor, 8/03 to the present

Lewco Securities Corp. Contract Consultant, 2000-2001

Merrill Lynch Corp. – Vice President, 1996-2000

Chemical Banking Corp – Vice President 1988-1996

Coopers and Lybrand LLP – Consultant 1987-1988

Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to client's evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Other Business Activities

Nothing to disclose regarding this Item.

Additional Compensation

Nothing to disclose regarding this Item.

Supervision

Steven Copeland as the Principal of the firm supervises his own work.