

## **Executive Financial Services, Inc.**

**33762 Schoolcraft Road, 2<sup>ND</sup> Floor  
Livonia, Michigan 48150**

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**May 22, 2012**

### **FORM ADV PART 2B. BROCHURE SUPPLEMENT**

**This brochure supplement provides information for Arthur R. Cole, William Mack and Theodore K. Bugenski that supplements the Executive Financial Services, Inc. (the adviser) brochure. You should have received a copy of that brochure. If you have any questions about the contents of this brochure supplement, or if you did not receive Executive Financial Services, Inc.'s brochure, please contact us at (734) 427-2030.**

**Additional information is also available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## ***Educational Background and Business Experience***

### **Arthur Raymond Cole**

***Year of Birth:*** 1958

#### ***Formal Education:***

- Michigan State University 09/1976 – 06/1980; Bachelor of Arts College of Business
- University of Detroit 09/1983 – 06/1985; Master of Business Administration
- Walsh College 09/1992 – 12/1994; Master of Science in Professional Accountancy
- American Institute of Certified Public Accountants 09/06; Personal Financial Specialist

#### ***Business Background:***

- Arthur R. Cole, Certified Public Accountant 01/1994 – 12/2002
- Cole, Newton & Duran, Certified Public Accountants 10/2001 – present
- Strategic Investment Services, Inc. 07/2004-12/2008
- Executive Financial Services, Inc. 01/2008 – present
- Second Ebenezer Church, CFO, 07/2009 – present

#### ***Professional Designations:***

**CPA** – A Certified Public Accountant is an individual who has passed the uniform CPA examination administered by the American Institute Of Certified Public Accountants, and who has received state certification to practice accounting. CPAs are licensed and regulated by their state boards of accountancy.

Currently to attain the right to use the CPA title, an individual must satisfactorily fulfill the following requirements:

- Education – Attain a baccalaureate degree or higher (completing at least 150 semester hours) with a concentration in accounting that shall include not fewer than 12 semester hours of graduate level accounting courses;
- Examination – Pass the comprehensive CPA Certification Examination. The examination, administered over a two-day period, includes auditing and attestation, financial accounting and reporting, regulation and business environment concepts;
- Experience - One calendar year and 2,000 hours of qualifying experience (providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA) gained through employment;
- Ethics – Agree to be bound to the State of Michigan accountancy laws as well the guidelines established by the *Michigan Association of Certified Public Accountants Association* in conjunction with the *American Institute of CPA's Code of Professional Conduct*.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain their CPA title:

- Continuing Education – Complete 80 hours of continuing education hours every two years, including sixteen hours for Auditing & Accounting and four hours of Ethics, which include parts of the *Code of Professional Conduct*, to maintain the CPA license and stay current with developments in the accounting field; and
- Ethics – Membership with the American Institute of CPAs requires member to adhere to the guidelines established by the *American Institute of CPA's Code of Professional Conduct*. The Principles call for an unswerving commitment to honorable behavior even at the sacrifice of personal advantage.

CPA Professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CPA certification.

**PFS** – Personal Financial Specialist credential is awarded by the American Institute of Certified Public Accountants to CPAs demonstrating the individual has met the education, experience and testing required of a CPA in addition to a minimum level of expertise in personal financial planning.

Currently to attain the right to use the PFS credential, an individual must satisfactorily fulfill the following requirements:

- Education – Hold a valid and unrevoked CPA license issued by a state authority. Earn a minimum of 80 hours of personal financial planning education within the five year period preceding the date of the PFS application. The areas of study would include personal financial planning, income tax, insurance, investment, financial independence, employee benefits, performance management, charitable planning and special needs. To maintain their PFS credential, the recipient must complete 60 hours of financial planning continuing education credits every three years;
- Examination – Pass the comprehensive financial planning exam that covers all of the disciplines that make up personal financial planning or its equivalent. The examination is administered during a one day, seven hour period covering various case studies;
- Experience – Attain two years of full-time business or teaching experience (or 3,000 hours equivalent, including 1,000 hours of tax compliance) in personal financial planning within the five year period preceding the date of the PFS application;
- Ethics – Membership with the American Institute of CPAs requires the member to adhere to the guidelines established by the *American Institute of CPA's Code of Professional Conduct*. The Principles call for an unswerving commitment to honorable behavior even at the sacrifice of personal advantage.

PFS professionals who fail to comply with the above standards and requirements may as a result have their PFS credential revoked.

***Disciplinary Information:*** None

***Other Business Activities:***

The adviser receives investment advisory services from sub-advisor William Mack & Associates, Inc. and, as a result, William Mack & Associates, Inc. shares a portion of the investment advisory fees the adviser charges its clients. William Mack and Theodore K. Bugenski

collectively own 50% of Executive Financial Services, Inc... Arthur R. Cole owns the remaining 50%. William Mack Associate's SEC Number is 801-42259 and firm CRD Number is 107377. William Mack's CRD Number is 1434254 and Theodore K. Bugenski's CRD Number is 2167202.

Arthur Cole is 100% owner and president of Cole, Newton & Duran CPA's. The adviser shares office facilities with Cole, Newton & Duran CPA's. The adviser also engages the firm of Cole, Newton & Duran CPA's to provide clerical and administrative support services. The adviser occasionally refers clients to Cole, Newton & Duran CPA's for tax and accounting services and Cole, Newton & Duran CPA's may refer clients to Executive Financial Services, Inc.

Mr. Cole is also the President of Strategic Investment Services, Inc. a small holding company.

Mr. Cole is also an employee of Second Ebenezer Church holding the position of CFO.

***Additional Compensation:*** None

***Supervision:***

Executive Financial Services, Inc. requires that all employees adhere to our processes and procedures as described in our firm's Code of Ethics. As an owner and president of the firm, Arthur Cole does not report to a supervisor. However, Mr. Cole signs an annual agreement to abide by the firm's policies and procedures. In accordance with our Code of Ethics, William Mack monitors Arthur Cole's personal securities transactions. William Mack can be reached at (734) 427-2030.

We monitor all advice that is provided to our clients by performing the following reviews:

- A review of relevant account opening documentation when the relationship is established;
- A daily review of account transactions;
- Review meeting notes to ensure that supervised persons are aware of the client's financial situation, objectives, and individual investment needs; and
- A review of all client correspondence

***Arbitration or Civil Legal Proceedings:*** None

***Financial Information:*** The adviser has not been the subject of any bankruptcy proceedings.

## **William Mack**

***Year of Birth:*** 1957

***Formal Education:***

- Ohio State University 09/1975 - 06/1981; Bachelor of Science
- College for Financial Planning 02/1984 - 02/1986
- Institute of Certified Fund Specialists 05/1992

***Business Background:***

- VESTAX Securities Corporation, Registered Representative 01/1992 - 11/2002
- William Mack & Associates, Owner 01/1992 - 04/1992
- Financial Planning Association (formerly Institute of Certified Financial Planners), held several board positions during 10-year tenure, including President and Chairman of the Board 1987- 1997
- William Mack & Associates, Inc., President 04/1992 - present

***Professional Designations:***

**CFP®:** The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and

client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;

- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

**CFS®:** With mutual funds training, a Certified Fund Specialist® (CFS®), offered through the Institute of Business & Finance, is able to evaluate and compare financial measurements and benchmarks when constructing a portfolio. Modern portfolio theory (MPT) is a key part of the program; its components are broken down and detailed in terms the advisor can easily understand and convey to a client. Armed with MPT and other selection criteria learned as part of the mutual fund education, a suitable and efficient portfolio using closed-end, exchange-traded, and open-end funds can be derived. CFS® is the oldest designation in the mutual fund industry.

To attain the right to use the CFS® mark, an individual must satisfactorily fulfill the following requirements:

- The CFS® consists of six modules, designed to be completed within 15 weeks.
- There are three non-cumulative exams and one case study.
- Each exam is based on two modules.
- Each exam consists of 50 multiple-choice questions.
- A written case study is required.

Following initial certification and authorization to use IBF designation marks, certification must be renewed annually. By meeting IBF's ongoing competency requirements of continuing education (30 hours of CE every two years), adhering to IBF's [Code of Ethics](#) and [Standards of Practice](#), designees demonstrate their commitment to ongoing education and professionalism.

***Disciplinary Information:*** None

***Other Business Activities:***

William Mack is an owner of William Mack & Associates, Inc., an investment advisory firm CRD#107377. William Mack & Associates provides Executive Financial Services investment advisory services as a sub-adviser. William Mack and Theodore K. Bugenski collectively own 50% of Executive Financial Services, Inc.

***Additional Compensation:*** None

***Supervision:***

Executive Financial Securities, Inc. requires that all employees adhere to our processes and procedures as described in our firm's Code of Ethics. As an owner and vice-president of the firm, William Mack does not report to a supervisor. However, Mr. Mack signs an annual agreement to abide by the firm's policies and procedures. Theodore K. Bugenski, Secretary, monitors William Mack's personal securities transactions in accordance with our Code of Ethics. Theodore K. Bugenski can be reached at (734) 427-2030.

We monitor all advice that is provided to our clients by performing the following reviews:

- A review of relevant account opening documentation when the relationship is established;
- A daily review of account transactions;
- Review meeting notes to ensure that supervised persons are aware of your current financial situation, objectives, and individual investment needs; and
- A review of all client correspondence.

***Arbitration or Civil Legal Proceedings:*** None

***Financial Information:*** The adviser has not been the subject of any bankruptcy proceedings.

## **Theodore Karl Bugenski**

***Year of Birth:*** 1965

### ***Formal Education:***

- Oakland University 10/1983 - 12/1988; Bachelor of Science
- Wright State University 9/90 - 6/91; Bachelor of Science
- College for Financial Planning 08/1994
- Institute for Certified Fund Specialists 05/1992

### ***Business Background:***

- Financial Planning Association (FPA) (formerly Institute of Certified Financial Planners), Board of Directors 1999 - Present (Several Board positions including President)
- VESTAX Securities Corporation, Registered Representative 01/1992 - 11/2002
- Oakland University, Instructor in Financial Planning Program 09/1992 - 05/1996
- William Mack & Associates, Financial Planner 01/1992 - 04/1992
- William Mack & Associates, Inc., Vice President & CCO 04/1992 - present

### ***Professional Designations:***

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- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and



client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;

- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

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