

# Dartmouth Advisory Services, Inc.

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## Dartmouth Advisory Services, Inc.

### Brochure

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**This brochure provides information about the qualifications and business practices of Dartmouth Advisory Services, Inc. (the “Company”, “we”, “us” or “our”). If you have any questions about the contents of this brochure, please contact us at (516) 873-7526 or [info@dartmouthadvisory.com](mailto:info@dartmouthadvisory.com). 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 Dartmouth Advisory Services, Inc. also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2            Material Changes**

**Not Applicable**

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#### **Item 4            Advisory Business**

- A. We were formed as a corporation on March 24, 1992 in the State of New York. We became registered as an Investment Adviser shortly thereafter. James V. McGurran is the owner, President and Chief Investment Officer of Dartmouth Advisory Services. Mr. McGurran is also the Chief Compliance Officer of the Company.

*Our registration does not imply a certain level of skill or training nor is it an endorsement by any Federal or State jurisdiction or authority.*

- B. We offer investment advisory services to individuals, business entities, trusts, pension & profit sharing and 401K plans. We do not offer financial planning, consulting or insurance services.

#### **A discussion of our investment advisory services is as follows:**

You can retain us to provide discretionary and/or non-discretionary investment advisory services on a fixed-fee or a fee based upon a percentage (%) of the market value of the assets placed under our management.

If you retain us to provide discretionary investment advisory services, you are giving us the authority to buy, sell or implement transactions on your behalf without your prior approval. If you choose to retain us for non-discretionary services, we will need to obtain your permission prior to us implementing any investment activities on your behalf.

**Non-Discretionary Service Limitations.** If you decide to retain us for non-discretionary investment advisory services, you must be willing to accept that we cannot implement any investment activities without obtaining your prior verbal, and in certain circumstances, written consent. For example, in the event that you are unavailable during a market correction, we will be unable to implement any investment transactions or changes (as we would for our discretionary clients) without first obtaining your consent.

#### **Independent Managers.**

As part of our investment advisory services, we may recommend that you authorize the active, discretionary management of a portion of your assets by and/or among certain independent investment manager(s) and/or investment programs (the “INDEPENDENT MANAGER(S)”). Should you agree to hire an INDEPENDENT MANAGER(S) to manage some or all of your assets, then our services in these types of arrangements are considered to be non-discretionary services, since any changes in these types of arrangements can only be made by your direct authorization in writing.

We may consider the following factors when recommending INDEPENDENT MANAGER(S): your designated investment objective(s) and account size, the INDEPENDENT MANGER(S) management style, performance, reputation, financial strength and reporting capabilities. We also recommend INDEPENDENT MANAGER(S) in order to implement and administer 401K programs for small and medium-size businesses.

If you choose to engage an INDEPENDENT MANAGER(S):

1. A separate written agreement between you and the designated INDEPENDENT MANAGER(S) will define the terms and conditions governing the engagement, including the separate compensation to be paid to the INDEPENDENT MANAGER(S).
2. We will continue to provide investment advisory services pertaining to these accounts such as the ongoing monitoring and review of account performance, asset allocation and your investment objectives.

**Private Investment Funds.** We may provide non-discretionary investment advice regarding private investment funds. Our role in recommending private investment funds is limited to our initial and ongoing due diligence and investment monitoring services. If you decide to become a private fund investor, the amount of your assets invested in the fund(s) shall be included as part of “assets under management” in the calculation of our investment advisory fee. You are under absolutely no obligation to consider or make an investment in a private investment fund(s). Generally, our clients do not own private investment funds.

*A private investment fund is an investment that is not readily tradable on a stock exchange and commonly takes the form of a limited-partnership interest. Private investment funds generally involve various risk factors such as the potential for complete loss of your principal, liquidity constraints and lack of transparency. A complete discussion of these and other risks are found in each fund’s offering documents. These documents will be provided to you for review and consideration before you invest. Private investment funds do not provide daily liquidity or pricing.*

*If you choose to invest in a private investment fund, you will be required to complete a Subscription Agreement. By signing this agreement you are confirming that you are qualified to invest in the fund, and acknowledge and accept the various risk factors that are associated with this investment. In the event we refer to any private investment funds that you own on any supplemental account reports we prepare, the value(s) for all such private investment funds shall reflect either the initial investment price and/or the most recent valuation provided by the fund sponsor. If the valuation reflects the initial purchase price (and/or a value as of a previous date) the current value(s) could be **significantly more or less** than your original purchase price.*

**Limited Consulting/Implementation Services.** Although we do not offer financial planning, estate planning or accounting services, we may, at your request, provide you with limited consultation services on investment and non-investment related matters, such as estate planning, tax planning, insurance, etc. We do not receive any separate or additional fees for any such consultation services. We may recommend the services of other professionals, if you request we do so, for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance agents, etc.). You are under no obligation to hire any of these professionals. You have absolute discretion over all such implementation decisions and are free to accept or reject any recommendation we make.

*If you engage any such recommended professional and a dispute arises during the course of that engagement, you agree to seek recourse exclusively from and against the engaged professional.*

*Although our representative, James V. McGurren, in his individual capacity, is licensed as a Certified Public Accountant and a Certified Financial Planner, he does not provide accounting, tax or financial planning services to any of our clients, and no corresponding CPA- or CFP-client relationship is established.*

- C. We will provide investment advisory services specific to your needs. An investment adviser representative will discuss your particular investment objective(s), risk tolerance and personal circumstances with you prior to providing investment advisory services. We will allocate your investment assets consistent with your designated investment objective(s). You may, at any time, impose restrictions, in writing, on our services.

**Client Obligations.** In performing our services, we are not required to verify any information we receive from you or from other professionals acting on your behalf. We are expressly authorized to rely upon such information. It also remains your responsibility to promptly notify us if there is ever any change in your financial situation or investment objectives so that we can review, evaluate and/or revise our previous recommendations and/or services.

- D. We do not participate in any wrap fee programs.

- E. As of December 31, 2011, we had \$ 35,576,000 in assets under management on a discretionary basis and \$16,458,000 in assets under management on a non-discretionary basis.

## **Item 5 Fees and Compensation**

- A. If you retain us to provide discretionary and/or non-discretionary investment advisory services, your fee will be either based on a percentage of the assets we manage for you or based on a negotiated, fixed amount.

**Advisory Fees.** We price our services based upon various objective and subjective factors. Accordingly, each client's fee is based on the market value of their assets, the complexity of the engagement, and the level and scope of other services that we may render to them. The services we provide to any particular client may be available from other advisers at lower fees. You should be guided accordingly.

Our standard fee schedule for our investment advisory services is as follows:

<b><u>Annual Fee/Rate</u></b>	<b><u>Assets Under Management</u></b>
1.00% on the first	\$1,000,000
.95% on the next	\$2,000,000
.90% on the balance	

The above rates represent the maximum rates we charge for investment advisory services, and we may, in our sole discretion, agree to provide our services at lower rates.

- B. You may elect to have our advisory fees deducted from your custodial account. Our INVESTMENT ADVISORY AGREEMENT and the third-party custodial agreements

authorize the custodian to charge your account for the amount of our investment advisory fee and remit this fee to us consistent with regulatory procedures. If we bill you directly, payment is due upon receipt of our invoice.

Our annual investment advisory fee is calculated on a pro rata, monthly basis and is invoiced and paid monthly, in arrears, based upon the market value of the assets in your account on the last day of the previous month, adjusted for cash flows during the month. We usually do not require an annual minimum fee or account size for investment advisory services. However, we, in our sole discretion, may charge a reduced investment management fee than what is set forth in our annual fee schedule.

Our INVESTMENT ADVISORY AGREEMENT with you will continue in full force and effect until terminated in writing by either party in accordance with the terms of the agreement.

- C. We usually recommend that TD AMERITRADE, Inc. (“TDA”) serve as the broker-dealer/custodian for your investment management assets. We may use other broker-dealer/custodians for your account, depending on your individual circumstances or preferences. Broker-dealers such as TDA charge brokerage commissions and/or transaction fees for implementing certain securities transactions. For example, transaction fees are charged to purchase and sell certain no-load mutual funds. Commissions are charged to purchase and sell individual securities transactions. As an owner of mutual funds or exchange-trades funds, you will also incur charges imposed at the fund level such as management fees and other fund expenses.

On limited occasions we may implement securities transactions through broker-dealers with whom we and you have entered into an arrangement for prime brokerage clearing services. This includes implementing certain client transactions with various SEC-registered and FINRA member broker-dealers. If so, you will incur both the transaction fee charged by the executing broker-dealer and a “tradeaway” fee charged by your account custodian. These types of transaction are called prime brokerage transactions. We rarely engage in prime brokerage transactions for our clients and will only do so at the specific direction of a client. You are also encouraged to review Item 12 that discusses our brokerage practices.

- D. We do not invoice investment management fees in advance of services rendered.
- E. Neither we nor our representatives accept fees, commissions or any other type of compensation whatsoever from the sale of securities or other investment products.

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

Not Applicable

## **Item 7            Types of Clients**

Our clients generally include individuals, business entities, trusts, pension & profit sharing plans and 401K plans. We do not have any minimum account requirements for our services.

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

A. We use the following methods of security analysis:

- Fundamental - (analysis performed on historical and present data)

We may use the following investment strategies when implementing the investment advice we provide you:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)
- Trading (securities sold within thirty (30) days)
- Short Sales (contracted sale of borrowed securities with an obligation to make the lender whole)
- Margin Transactions (use of borrowed assets to purchase financial instruments)
- Options (contract for the purchase or sale of a security at a predetermined price during a specific period of time)

**Investment Risk.** Different types of investments involve varying degrees of risk. You should not assume that future performance of any specific investment or investment strategy, including the investments and/or investment strategies we recommend, will be profitable or achieve any specific performance level(s). You may lose money on investments we recommend.

B. Our method of analysis and our 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, we must have access to current as well as new market information. We have no control over the dissemination rate of market information; therefore, we may not know that certain analyses may be compiled with outdated market information, severely limiting the value of our 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.

Our 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. These are as follows:

- 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. However, as a result of more frequent trading, this strategy may result in higher transaction costs when compared to a longer term investment strategy.
- Trading is an investment strategy that results in purchasing and selling securities within a shorter period of time (e.g., a thirty (30) day investment time period). However, this strategy will result in higher transaction costs when compared to a short term investment strategy and substantially higher transaction costs than a longer term investment strategy.

In addition to the fundamental investment strategies discussed above, we may also implement and/or recommend short selling, the use of margin, and/or options transactions. Each of these strategies has a high level of inherent risk. Each strategy is discussed below.

- Short selling is an investment strategy with a high level of inherent risk. Short selling involves the selling of securities that you do not presently own. You would then borrow the securities from a third-party lender (i.e. broker-dealer) with the obligation of buying identical securities at a later date to return to the third-party lender. A short-seller will only profit from a decline in the price of the security between the original date of sale and the date of repurchase. Conversely, the short seller will incur a loss if the price of the security rises during this time period. Other costs of short selling may include a fee for borrowing the security as well as payment of any dividends paid on the borrowed securities.
- Margin is an investment strategy with a high level of inherent risk. A margin transaction occurs when you borrow against the value of securities you own and use the proceeds to either purchase additional securities or for other personal use. Purchasing a security using margin will magnify any potential gains or losses realized on the financial securities purchased on margin.

*To the extent that you authorize the use of margin, and margin is thereafter employed by us in the management of your investment portfolio, the market value of your account and corresponding investment fee payable by you to us may be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, you should be aware of a potential **conflict of interest** whereby your decision to employ margin may correspondingly increase the investment management fee payable to us. Accordingly, the decision as to whether to employ margin is left totally to your sole discretion.*

- The use of option transactions as an investment strategy involves a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by us shall be with the intent of offsetting or "hedging" a potential market risk in your portfolio.

*Although the intent of the options-related transactions is to hedge against principal risk, certain of the options-related strategies (i.e. straddles, short positions, etc), may, by themselves, produce principal volatility and/or risk. Therefore, you must be willing to accept these enhanced volatility and principal risks associated with such strategies. In consideration of these enhanced risks, you may direct us, in writing, not to employ any or all such strategies for your accounts.*

- C. We primarily allocate your investment assets among various mutual funds, exchange traded funds, and individual equity and fixed income securities, on a discretionary and



non-discretionary basis, in accordance with your designated investment objective(s). We may also provide non-discretionary investment advisory services relative to your assets that are actively managed by unaffiliated investment managers. (See INDEPENDENT MANAGER(S) above in Item 4B). These investments and strategies do not present any unusual or significant risks. However, you should not assume that the investments or investment strategies recommended will be profitable or achieve any specific performance level(s).

## **Item 9            Disciplinary Information**

We do not have any reportable disciplinary events or actions.

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

- A. Neither we, nor our representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither we, nor our representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or as a representative of these entities.
- C. **Details of Other Interests.** Our President & CIO, James V. McGurren, is a Vice President of Next Capital Management, LLC (“NEXT CAPITAL”) (SEC File Number 801-56281), an unaffiliated SEC Registered Investment Adviser located in New York, New York. The services that Mr. McGurren provides on behalf of NEXT CAPITAL are similar but separate and independent of those services that he provides behalf of Dartmouth Advisory Services. We believe Mr. McGurren’s relationship with NEXT CAPITAL does not create any conflicts of interest with clients or impact in any way the services rendered to you.
- D. We not recommend or select other investment advisers that provide any direct or indirect compensation to us.

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

- A. We have a Code of Ethics which serves to establish a standard of business conduct for all of our employees and representatives. This standard of conduct is based upon fundamental principles of openness, integrity, honesty and trust. A copy of our Code of Ethics is available to you upon request.

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

- B. We do not recommend any securities in which we have a material financial interest.
- C. We and/or our representatives may buy or sell securities that are also recommended to you. This practice may create a situation where we and/or our representatives 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 we did not have adequate policies in place to detect such activities. In addition, these policies can help detect insider trading, “front-running” (i.e., personal trades executed prior to those of our clients) and other potentially abusive practices.

We have a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of our “Access Persons”. Basically, an Access Person is a supervised person who has access to nonpublic information regarding clients' purchase or sale of securities, is involved in making securities recommendations to clients or who has access to such recommendations that are nonpublic.

Our securities transaction policy requires that our Access Person(s) must provide the Chief Compliance Officer or his 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 designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter; provided, however that at any time that we have only one Access Person, he or she shall not be required to submit any securities report described above.

- D. We and/or our representatives *may* buy or sell securities, at or around the same time as those securities are recommended to you. This practice creates a situation where we and/or our representatives are in a position to potentially materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above in Item 11C, we have a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of our Access Persons and avoid conflicts of interest.

## **Item 12 Brokerage Practices**

- A. If you request that we recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct us to use a specific broker-dealer/custodian), we generally recommend that investment management accounts be maintained at TD Ameritrade (“TDA”). Prior to engaging us to provide investment management services, you will be required to enter into a formal INVESTMENT ADVISORY AGREEMENT with us setting forth the terms and conditions under which we will provide investment advisory services, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

We may consider the following in recommending TDA (or any other broker-dealer/custodian to clients) including: their historical relationship with us, their financial strength, reputation, execution capabilities, pricing, research, and service. The commissions and/or transaction fees paid by you shall comply with our duty to obtain the best execution of transactions we implement for you. However, you may pay a commission that is higher than one imposed by another qualified broker-dealer to implement the same transaction. While this may occur, we determine, in good faith, that

the commission/transaction fees are reasonable relative to the value of the brokerage and research services you receive.

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, considering the full range of a broker-dealer services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, we may not necessarily obtain the lowest possible commission rates for your account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, our investment management fee. Our best execution responsibility is deemed met for mutual funds bought or sold in your account since the price of the mutual fund is based solely on the 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 the services of a particular broker-dealer/custodian, we may receive from TDA (or other broker-dealer/custodians) without cost and/or at a discount, support services and/or products, which help us to better monitor and service your accounts maintained at such institutions. Support services may include investment-related research, pricing information and market data, software and other technology that provide access to your 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 us in furtherance of our investment advisory business operations.

You do not pay more for investment transactions implemented and/or assets maintained at TDA as a result of this arrangement. There is no corresponding commitment made by us to TDA or any other any entity to invest any specific amount or percentage of your assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

*Our Chief Compliance Officer, James McGurren, is available to address any questions that you may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.*

2. We do not receive referrals from broker-dealers.
3. We do not engage in directed brokerage arrangements nor do we require you to direct brokerage.

- B. To the extent that we provide investment management services to our clients, the transactions for each client account generally will be implemented independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may, but are not obligated to, combine or “bunch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among our 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. We shall not receive any additional compensation or remuneration as a result of such aggregation.

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

- A. Our Chief Investment Officer conducts account reviews on an ongoing basis. You are advised that it remains your responsibility to advise us of any changes in your investment objectives and/or financial situation. You are encouraged to review investment objectives and account performance with us in person or via telephone on an annual basis.
- B. We may conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in your investment objectives and/or financial situation, market corrections or upon your request.
- C. You are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer/custodian and/or program sponsor for your accounts. You may also receive a periodic written report from us summarizing account activity and performance.

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

- A. We may receive an indirect economic benefit from TDA. We may also receive support services and/or products from TDA without cost and/or at a discount. These are discussed further in Item 12A

*Our Chief Compliance Officer, James McGurren, remains available to address any questions that you may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.*

- B. We do not compensate, directly or indirectly, any person, other than our representatives, for client referrals.

#### **Item 15      Custody**

We do not have custody of client funds or securities. We do however allow you to elect to have our advisory fees deducted from your custodial account. *You should be aware that the account custodian does not verify the accuracy of our advisory fee calculation.* You are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer/custodian and/or program sponsor for your accounts. You may also receive a periodic report from us summarizing account activity and performance.

*To the extent that we provide you with periodic account statements or reports, we urge you to compare any statement or report provided by us with the account statements received from your account custodian.*

## **Item 16 Investment Discretion**

You can retain us to provide investment advisory services on a discretionary basis. Prior to us assuming discretionary authority over your account, you will be required to execute an INVESTMENT ADVISORY AGREEMENT, naming us as your attorney and agent in fact, granting us full authority to buy, sell, or otherwise implement investment transactions for the assets in your account.

If you retain us to manage your assets on a discretionary basis you may, at anytime, impose restrictions, *in writing*, on our discretionary authority. Limitations may include the types/amounts of particular securities purchased for your account, and limit or authorize our use of margin, etc.

## **Item 17 Voting Client Securities**

- A. We do not vote client proxies. Unless an INDEPENDENT MANAGER accepts proxy voting responsibility for your assets, you maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by you shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to your investment assets.
- B. You will receive your proxies or other solicitations directly from your custodian. You may contact us to discuss any questions that you may have with a particular solicitation.

## **Item 18 Financial Information**

- A. We do not solicit prepayment of more than \$1,200 in fees, per client, six months or more in advance.
- B. We are unaware of any financial condition that is reasonably likely to impair our ability to meet our contractual commitments relating to our discretionary authority over any client accounts.
- C. We have not been the subject of a bankruptcy petition at any time during the last ten (10) years.

## **Item 19 Other Information**

- A. James McGurren is the President and Chief Investment Officer of the Company. He was born in 1958. His formal education and business background is as follows:

Education:	Fordham University, Bronx, New York – B.S. – Accounting- 1980
Licenses:	Certified Public Accountant – State of New York
Designation:	Certified Financial Planner®
Affiliations:	Financial Planning Association (FPA) American Institute of Certified Public Accountants (AICPA) New York State Society of Certified Public Accountants (NYSSCPA)

### **Business Experience for the past 5 years:**

March 1992 – Present  
Dartmouth Advisory Services, Inc.  
President/Chief Investment Officer

September 2009 – Present  
Next Capital Management, LLC  
Vice President/Portfolio Manager

January 1998 – April 2009  
KMC Advisory Group LLC  
Managing Director of Financial Consultancy

### **Additional Information on CPA and CFP® Designations**

Certified Public Accountant (CPA) - CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include:

- Education - minimum college education requirement typically include 150 credit hours with at least a baccalaureate degree and a concentration in accounting;
- Experience - minimum experience levels required by most states include at least one year of 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;
- Examination - successful passage of the Uniform CPA Examination;
- Ethics - all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous Code of Professional Conduct which requires that they act with integrity, objectivity, due care and competence; and
- Continuing licensure - In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year. Also, CPAs are required to complete 4 hours of continued professional education in Ethics during every three year period.

Certified Financial Planner® (CFP) - The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. 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 college or 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 – Successful passage of the comprehensive CFP® Certification Examination;
- Experience – Complete at least three years of full-time financial planning-related experience;
- 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; and
- Continuing licensure – 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*.

B. James McGurren is solely engaged in the business of providing investment advice.

C. Not Applicable

D. Not Applicable

E. Not Applicable