

Part 2A of Form ADV - Firm Brochure

Item 1 - Cover Page

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**This brochure provides information about the qualifications and business practices of Sechrest Financial Services, LLC. If you have any questions about the contents of this brochure, please contact us at 978-795-1284 and/or [moreinfo@sechrestfinancialservices.com](mailto:moreinfo@sechrestfinancialservices.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 Sechrest Financial Services, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

Sechrest Financial Services, LLC is a registered investment adviser firm. Registration as a registered investment adviser does not imply a certain level of skill or training.

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### Item 2 - Material Changes

There are no material changes in this brochure from the last annual updating amendment of Sechrest Financial Services, LLC on 01/10/2020. Material changes relate to Sechrest Financial Services, LLC's policies, practices or conflicts of interests only.

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### Item 4 - Advisory Business

- A. Sechrest Financial Services, LLC (hereafter "SFS") offers to provide high quality financial planning and wealth management services for individuals and businesses. SFS has been in business since 2003. The principal owner of SFS is Jarod J. Bloom.
- B. We offer to provide wealth management planning services that includes investment management, estate and charitable, life insurance, long-term care insurance (we do not make recommendations for or against obtaining long-term care insurance; rather, we discuss the topic with clients so the client can make an informed decision about this topic), property and casualty insurance, retirement, employer and concentrated stock, education, employee benefits, business, and identity theft prevention planning on a fee-only basis. We offer to manage the process of identifying, executing, and monitoring the goals associated with each of these planning services. We use an interconnected approach to address a client's overall life and wealth management planning. For our investment management planning, we offer to assess clients' risk tolerance which then helps us to develop an Investment Policy Statement ("IPS") that meets clients' needs and objectives, and we offer to implement recommendations to achieve those needs and objectives. We then offer to regularly review clients' investment portfolios to consider continued compliance with the IPS and confirm that the IPS is appropriate for clients' ever-changing life planning situations. In addition, we are also able to propose investments to meet clients' social investing needs, as applicable.

We do not recommend individual stocks for clients' investment management. Instead, we recommend no-load mutual funds and exchange traded funds that have passive or enhanced index investment strategies. For the fixed income portion of clients' investment portfolios, we may recommend an account of individual fixed income securities that is actively managed by a separate account manager that specializes in managing fixed income portfolios and also mutual funds.

We have a sister accounting firm, Sechrest & Bloom, LLC, which is owned by the same principal. Through our CPA firm, we offer to provide tax planning and tax preparation services for individuals, corporations, partnerships, and trusts and estates, and we offer to provide bookkeeping for our corporate clients as well.

- C. These services are most valued by clients who have complex financial or investment situations, are too busy to manage their own day-to-day financial and investment issues, and/or who wish to have a partner in their regular financial decision making. These services are also tailored to each specific client's unique planning needs on a client-by-client basis.

For example, a client who owns stock in his employer may have specific trading restrictions for that stock or may request to have a specific investment allocation for his/her portfolio to offset the risk of this concentrated position in his/her employer stock. Our planning services are customized to each client's unique situation.

D. We do not participate in wrap fee programs.

E. The amount of client assets we manage on a discretionary basis as of 12/31/2020 = \$0.

The amount of client assets we manage on a non-discretionary basis as of 12/31/2020 = \$145,824,644.00.

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### Item 5 - Fees and Compensation

- A. SFS is fee-only and is compensated for our services only by fees paid to us by the client. We offer to use no-load mutual funds and other investment products that we recommend to clients. We do not receive commissions from any products we recommend or from other financial planning professionals we work with for our clients' planning. The fee will be discussed prior to entering into a contract and the client is billed quarterly in arrears. Fees will be negotiated depending on the size and complexity of the account and are generally between \$10,000 - \$18,000 per year. We may also provide our services on an hourly basis at an hourly rate of \$295 per hour as of the date of this ADV.
- B. We deduct fees from clients' assets, but at a client's request, we can bill clients for fees incurred instead.
- C. While every effort is made to control transaction costs in client accounts, clients investing in mutual funds or other investments will incur brokerage, investment management, and transaction costs associated with those investments. Please refer to Item 12 - Brokerage Practices for additional information about brokerage.
- D. Client fees will be discussed prior to entering into a contract and the client is billed quarterly in arrears. Fee refund or agreement termination terms are outlined in the Client Agreement that is signed by both us and the client before services begin. Unless otherwise stated, client agreements are for a period of one year and may be terminated at any time upon 30 days written notice. There are no provisions for refunds when services have been rendered.
- E. SFS, its owner, and its employees do not accept compensation for the sale of securities or other investment products.

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

SFS, its owner, and its employees do not accept performance-based fees.

SFS, its owner, and its employees do not manage accounts that are charged both a performance-based fee and accounts that are charged another type of fee.

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### Item 7 - Types of Clients

SFS offers to provide investment advice to individuals, corporations, trusts, estates, charitable organizations, and businesses' retirement accounts, such as pension plans. We do not have a minimum account size.



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

- A. SFS offers to use a customized data collection questionnaire, risk tolerance questionnaire, and ongoing dialogue with clients to get an understanding of what a client's life and wealth management goals are, as well as what a client's risk profile is. We then develop an Investment Policy Statement ("IPS") that's agreed to in writing by both the client and SFS that guides our investment recommendations to clients. We offer to implement this IPS using no-load mutual funds and exchange traded funds that utilize passive and enhanced index investment strategies. We do not recommend individual stocks.

For an appropriate client, we'd recommend a separately managed account for an individual bond portfolio that may include high quality United States national, state and local government and agency securities, as well as high quality corporate bonds.

We do not employ canned portfolios. Clients have individual benchmarks for their specific IPS and we recommend portfolios according to these benchmarks.

We believe it's important to have low investment expenses in order to maximize investment returns over time. Consequently, we recommend low-cost investment products for clients' investment portfolios. We don't recommend trading client investment accounts frequently to minimize transaction costs and keep investment expenses low. We recommend trading for purposes of rebalancing a portfolio to the client's IPS, or else trading in order to implement a change to a client's IPS.

Our investment strategies are designed to have our clients 1) not try to time the market, 2) diversify their investments across a variety of asset classes, and 3) continue to invest new money into the market.

We structure our investment portfolio recommendations based on Nobel-prize winning science and academic research in a disciplined, transparent approach.

At a client's request, we would also recommend socially-conscious and sustainable investments.

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

- B. It's a fact of life that risk and return are related. This is no different with any investment.

Since our investment strategies are diversified across several asset classes, the material risk involved in the equity component of these strategies is the inherent equity/market risk of the performance of each asset class.

In addition, specifically for the fixed income component of our clients' portfolios, there is interest rate risk, credit risk, inflation risk, and call risk.

- C. We recommend no-load mutual funds for the equity portion of clients' portfolios. The material risk involved with using mutual funds is that the fund we recommend for exposure to a particular asset class(es) doesn't correlate well with that asset class.

For using mutual bond funds or a separately managed account for an individual bond portfolio, the material risks involved with these types of securities are the inherent fixed income risks mentioned in item B. above - interest rate risk, credit risk, inflation risk, and call risk.

We also recommend socially-conscious and/or sustainable investments for clients if they request these types of investments. The specific risk for these investments is that the universe of available investments meeting this criterion is inherently limited by this restriction so that these investments may not capture the investment performance of the overall market.

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### Item 9 - Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of SFS' advisory business or the integrity of our management.

There have never been any legal or disciplinary events that are material to a client's or prospective client's evaluation of SFS' advisory business or the integrity of our management since SFS was founded.

You can contact the U.S. Securities and Exchange Commission at <https://www.adviserinfo.sec.gov/IAPD/Default.aspx> and the Massachusetts Security Division at <http://www.sec.state.ma.us/sct/> to learn more information regarding our firm's and our investment adviser representatives' disciplinary histories.

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

- A. None of the owner, employees, or management persons of SFS is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. None of the owner, employees, or management persons of SFS is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.
- C. Jarod J. Bloom is doing business as a member in Sechrest & Bloom, LLC at 526 Main Street, Suite 301, Acton, MA 01720. He performs tax and accounting services for individuals and businesses. No products are sold in this business. SFS provides financial planning services for individuals and businesses that are, for the most part, clients of Sechrest & Bloom, LLC. Tax preparation services are bundled together as part of the financial planning service. The full services of the CPA firm can be found on the website [www.sechrestcpa.com](http://www.sechrestcpa.com).

SFS is authorized by Dimensional Fund Advisors (hereafter "DFA") to use their mutual funds for client investment portfolios managed by SFS. SFS does not receive any compensation from DFA for this relationship.

SFS is authorized by GW&K Investment Management to use their separately managed accounts for individual bond portfolios. SFS does not receive any compensation from GWK for this relationship.

SFS is authorized to be an investment manager listed on accounts that are custodied at Fidelity Institutional Wealth Services (hereafter "Fidelity") for ease in reporting, tracking and management. Participation is not contingent on retaining Fidelity for brokerage services. SFS does not receive any compensation from Fidelity for this relationship.

- D. We do not receive compensation directly or indirectly from any other investment advisers that we recommend for our clients.

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

- A. It is our policy not to disclose nonpublic personal information to anyone outside our company unless specifically requested by a client. This request to do so is often made by clients in person. We will ask that clients confirm their request in writing by adding the party's name to the back page of our client questionnaire or other Consenting document.

For current and former clients, we do not disclose any nonpublic personal information except as required or permitted by law. Permitted disclosures include, for instance, providing information to our employees, and in limited situations, to unrelated third parties (such as brokerage or investment service providers) who need to know such information to assist us in providing services to clients. In all such situations, we stress the confidential nature of information being shared. Our firm is affiliated with Sechrest & Bloom, LLC, and we disclose personal information to them for use in clients' tax planning and tax preparation.

We retain records relating to professional services that we provide so that we are better able to assist clients with their professional needs and, in some cases, to comply with professional guidelines. In order to guard clients' nonpublic personal information, we maintain physical, electronic, and procedural safeguards that comply with our professional standards.

We also have ongoing continuing education ethics requirements for each individual's professional certifications, including our CPA and CFP designations. We take the applicable Ethics continuing education classes that are required to renew these certifications regularly. We adhere to the American Institute of CPAs (AICPA) Code of Professional Conduct and the AICPA's Statements on Responsibilities in Personal Financial Planning Practice.

We will provide a copy of our code of ethics to any client or prospective client upon request.

- B. We do not recommend to clients securities in which we have a material financial interest. We do not buy or sell securities for client accounts in which we have a material financial interest. We do not have any related parties who recommend to clients, or who buy or sell securities for client accounts, in which we have a material financial interest.
- C. We may, from time-to-time, buy or sell for our own personal accounts securities which we have also recommended to clients. Any such securities transactions are likely to be statistically insignificant in relation to the market

as a whole for that security. We fully disclose to clients that we use the same investments in our personal portfolios as those that we recommend to them.

- D. Any securities transactions we enter into for our personal accounts of the same security that we are buying or selling for a client's account are likely to be statistically insignificant in relation to the market as a whole for that security. This minimizes/eliminates conflicts of interests for this situation.

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### Item 12 - Brokerage Practices

- A. At the client's request, we will work with any of the large brokerage firms operating in the United States. The primary factors used in making a recommendation of a broker to a client are the broker's reputation, the ease with which the broker's data can be assimilated into our portfolio management system, the broker's ability to deliver a suitable range of investment choices to our clients, and our experience with the broker. We will work with the client and broker to be sure that the client's portfolio and asset allocation fit the profile developed by us and the client. In this capacity, we will perform due diligence services for the client and endeavor to ensure that transactions are executed in such a manner that the best execution possible is part of the due diligence process.

As mentioned in Item 10C, SFS is authorized to be an investment manager listed on accounts that are custodied at Fidelity Institutional Wealth Services (hereafter "Fidelity") for ease in reporting, tracking and management. SFS does not receive any compensation from Fidelity for this relationship.

1. We do not receive research or other products or services, other than execution from Fidelity, in connection with client securities transactions at Fidelity that would be considered to be "soft dollar benefits".
2. We do not receive client referrals from Fidelity, so we do not have an incentive to use Fidelity as a broker-dealer because of receiving any referrals from them.
3. We do not recommend, request or require that a client direct us to execute transactions through a specified broker-dealer.

As mentioned in 12A above, we permit a client to direct the brokerage to use for their investment accounts. Currently, all client assets that we manage are custodied at Fidelity. Should a client direct us to another brokerage, we would explain that we may not be able to achieve favorable execution of security transactions or management of the client's account.

- B. We do not have discretion on client investment accounts, and we require clients' authorization to place trades in their accounts on their behalf. Thus, we do not aggregate the purchase or sale of securities across client accounts. Instead, as soon as we get each individual client's authorization for a transaction, we execute the transaction for that client in their account as soon as possible.

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### Item 13 - Review of Accounts

- A. We offer to review client accounts on a monthly basis by comparing client accounts to their mutually-agreed upon portfolio benchmarks. We also offer to review client accounts whenever we are contacted by a client to let us know about a change in their investment and/or financial planning situation, or whenever they would like a review done of their accounts. The Principal of the firm, Jarod J. Bloom, conducts these reviews and supervises our firm's staff who assist with preparing the information for these reviews.
- B. As mentioned in 13A above, we will offer to review a client's accounts on other than a periodic basis at the client's request. This is usually triggered by some type of life planning change or concern of the client's.
- C. Clients receive statements of their investment accounts from the custodian of the accounts on a monthly basis, unless they've opted to receive these statements on a less frequent basis. Clients receive copies of any trade confirmations from the custodian of their investment accounts as soon as the trades are executed, unless clients have elected to receive these statements on a less frequent basis, such as having all confirmations sent to them in a single batch every quarter. On at least a quarterly basis, we provide clients with a Morningstar Office analysis showing the clients' total investment portfolio compared to their investment benchmark across a variety of investment management analytics. These reports are in writing.



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Item 14 - Client Referrals and Other Compensation

- A. We do not receive an economic benefit from anyone other than the client for our providing investment advice or other advisory services to our clients.
- B. We do not compensate any person that is not a supervised person for a client referral.

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Item 15 - Custody

We do not have custody of client funds or client securities.

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Item 16 - Investment Discretion

We do not accept discretionary authority to manage securities accounts on behalf of clients.

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Item 17 - Voting Client Services

- A. We do not have and we will not accept authority to vote client securities.
- B. As mentioned in item 17A above, we do not have authority to vote client securities. Clients will receive their proxies or other solicitations directly from their custodian. Clients can contact us via phone, e-mail, or any other way they typically correspond with us if they have questions about a particular solicitation.

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Item 18 - Financial Information

- A. We do not require or solicit prepayments of fees per client in advance.
- B. We do not have discretionary authority or custody of client funds or securities.
- C. We have not been the subject of a bankruptcy petition at any time during the past ten years.

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Item 19 - Requirements for State-Registered Advisers

A. The following individual is the Principal of our firm:

Jarod J. Bloom, CPA, CFP

- Formal education after high school:
  - Boston University School of Management, 1991-1995; B.S. in Business Administration; Concentration in Accounting
- Business background
  - Served as the Family Chief Financial Officer; The Darrow Company, Inc.; Concord, MA (August 1998 - April 2005)
  - Vice President, Sechrest Financial Services, LLC; Acton, MA (November 2005 - December 2010)
  - Vice President, Sechrest & Associates, CPAs; Acton, MA (November 2005 - December 2010)
  - Principal, Sechrest Financial Services, LLC; Acton, MA (January 2011 - present)
  - Principal, Sechrest & Bloom, LLC; Acton, MA (January 2011 - present)

B. Jarod J. Bloom is a Principal in Sechrest & Bloom, LLC. The firm services small business and individuals and is co-located with Sechrest Financial Services, LLC in Acton, MA. The CPA firm provides accounting and tax services for its clients. No products are sold. Jarod spends approximately 50% of his time on the CPA firm.

C. We are not compensated by performance-based fees. Performance-based fees may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

D. We have not been involved in an award or otherwise being found liable in a) an arbitration claim alleging damages in excess of \$2,500, or b) a civil, self-regulatory organization, or administrative proceeding involving:

1. An investment or an investment-related business or activity;
2. Fraud, false statement(s), or omissions;
3. Theft, embezzlement, or other wrongful taking of property;
4. Bribery, forgery, counterfeiting, or extortion; or
5. Dishonest, unfair, or unethical practices

E. We do not have any relationship or arrangement with any issuer of securities that hasn't already been listed in Item 10C above.