

# The Financial Consulate, Inc.

Headquarters:

201 International Circle, Suite 520

Hunt Valley, MD 21030

410-823-7283

[www.financialconsulate.com](http://www.financialconsulate.com)

Other Locations:

1302 Proline Place

Gettysburg, PA 17325

717-334-1861

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Form ADV, Part 2A Brochure

*This brochure provides information about the qualifications and business practices of The Financial Consulate, Inc. If you have any questions about the contents of this Brochure, please contact our Compliance Coordinator, Shannon Cooper, at 410-823-7283. 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 The Financial Consulate, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

## ITEM 2 – MATERIAL CHANGES

This item discusses specific material changes that are made to the brochure (Form ADV II) and provides clients and prospective clients with a summary of such changes from year to year (or more frequently if required).

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### SEC “AMENDMENT TO ADV”

Pursuant to SEC Rules, we will ensure you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

Currently, our brochure may be requested at any time without charge by contacting Shannon Cooper, Compliance and Marketing Coordinator, at 410-823-7283. Our brochure is also available on our web site, at [www.financialconsulate.com](http://www.financialconsulate.com).

Additional information about The Financial Consulate, Inc. is also available via the SEC’s website, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s website also provides information about any persons affiliated with The Financial Consulate, Inc. who are registered, or are required to be registered, as investment advisor representatives of The Financial Consulate, Inc.

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### OTHER MATERIAL CHANGES

- ITEM 4 – ADVISORY BUSINESS
  - Assets Under Management – has been updated
    - The Consulate has \$ 585 million under management as of January 2021. \$576 million of client assets are managed on a discretionary basis and \$9 million of client assets are managed on a non-discretionary basis.
    - We have decided, based on a conservative interpretation of SEC standards, to remove from the calculation assets under “supervision.” For the date of calculation, assets under “supervision” amounted to \$170 million. Assets under “supervision” are assets on our platform for which we have power of attorney to act and trade with discretion, but through agreements with our clients, we act only under their direction. Another term for these assets would be “non-discretionary.” From time to time, we may advise clients on these assets and execute requested trades however we do not actively manage the assets. Separately Managed Accounts or “SMAs” have been included in the calculation of assets under management, but only in cases where the Manager may be hired and fired

by the Advisor and the Advisor has been the one to provide the investment to the client; however, the Manager makes active trading decisions and enters into a separate agreement with the client to do so. The calculation of assets under management does include supervised or non-discretionary positions that exist within actively managed accounts. These assets, while potentially not fitting the SEC definition of assets under management, are believed to be immaterial to the overall figure.

- Item 5 – FEES AND COMPENSATION
  - We have reduced fees on managed assets over \$25,000,000
    - Active and Index-Oriented Allocation Portfolios
      - .25% of assets over \$25,000,000

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## ITEM 4 – ADVISORY BUSINESS

### FIRM BUSINESS

The Financial Consulate, Inc. (herein referred to as “The Consulate”) is a Fee-Only™ financial advisory firm. The Consulate has been in operation since 1983. The Consulate provides comprehensive and modular financial planning services as well as discretionary and non-discretionary investment management services.

### FIRM MISSION STATEMENT

The Consulate’s mission is “to help lessen the worry and burden of wealth management and enhance financial wellness so our clients can pursue relationships and true fulfillment.”

### FINANCIAL PLANNING SERVICES (SEE ITEM 5 FOR FEES)

The Consulate provides comprehensive financial planning as well as investment management services in pursuit of our mission. The primary services offered are the following:

- **FINANCIAL PHYSICAL®**: This service is a complete and comprehensive overview of your personal finances. It begins with an examination of your personal and financial goals and objectives; then, through that lens, a comprehensive analysis of your financial realm is completed, to include the following: cash flow, net worth, estate planning, tax planning, company benefits, insurance planning, education planning, and investment and retirement planning. This service is customized based on the clients’ individual situations and especially so for the self-employed, business owners, and those in or immediately preparing for retirement. Upon completion, you are provided with a framework for examining your financial decisions, a tailored list of recommendations, projections of retirement scenarios and an action plan to aid you in the implementation of the recommendations. This service is completed in two meetings, totaling four-to-five consultation hours with multiple members of the planning staff.

- **FINANCIAL MANAGEMENT:** This service includes perpetual financial advisory services and discretionary investment management. The Financial Consulate designs managed portfolios using a blend of individual stocks, mutual funds, exchange traded funds, bonds, alternative investments, certificates of deposit, money market vehicles, and/or other security types. The design of the portfolio is dependent upon your needs, goals, time horizon, and risk tolerance.
  - **AUTOMATED PORTFOLIOS:** Some financial management services may be provided utilizing “Automated Portfolios” this service includes limited discretionary investment management utilizing an automated client onboarding, risk analysis, and model allocation among a custodian-defined list of available ETF investments. Portfolio customization and restriction is not offered to clients when using this service.
  - **FINANCIAL SUPERVISION:** This is a service that compliments some clients’ total investment strategy and estate planning. This unique service allows you to have assets not managed by The Consulate, under our non-discretionary supervision. This allows you to manage a portion of your total portfolio as you choose but consolidate all investments for ease of transition in the case of a death or disability.
- **RETIREMENT PLAN PARTICIPANT ACCOUNT MANAGEMENT:** This service includes perpetual discretionary, non-discretionary investment management, and/or plan or participant account investment consultation. The Financial Consulate designs managed portfolios using a blend of individual stocks, mutual funds, exchange traded funds, bonds, alternative investments, certificates of deposit, money market vehicles, and/or other security types. The design of the portfolio is dependent upon the plan’s or participant’s needs, goals, time horizon, regulatory requirement, and risk tolerance.

The Financial Consulate can custom tailor a relationship to blend both management and supervision. This allows a client to maintain total control of a pre-determined portion of the portfolio. This also creates optimal flexibility and accountability.

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#### SPECIALTY SERVICES (SEE ITEM 5 FOR FEES)

- **RETIREMENT PLAN MANAGEMENT:** This service was developed to help guide our corporate clients in adopting and operating retirement plans for their employees. We work with employers to help identify the appropriate type of retirement plan, identify and retain other service providers, enroll employees as plan participants, and manage plan investments.
- **CORPORATE SEMINARS:** Members of The Consulate have been providing local and regional companies and municipalities with educational seminars for over 20 years. Each seminar is based on the comprehensive Financial Physical® methodology and catered to each company's specific employee benefits package and audience.
- **MONEY, RICHES & WEALTH (Radio Show):** Hosted by Drew Tignanelli, "Money, Riches & Wealth" is a radio show that is designed to educate listeners about pertinent topics that affect their lives, especially in the financial realm. The show runs weekly on Wednesday nights from 6:00-7:00 p.m. on WCBM 680 AM in Baltimore, MD and online at [www.wcbm.com](http://www.wcbm.com). Select podcasts of *Money, Riches & Wealth* are available on iTunes and PodBean.
- **GENERAL:** The Consulate may provide a la carte analysis not included in the above referenced services for an hourly charge of \$200. This is done at the discretion of management on a case-by-case basis. Services provided in this form will generally be an exception to our standard operating practices.

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#### TAX & ACCOUNTING SERVICES (SEE ITEM 5 FOR FEES)

- **TAX PREPARATION:** The Consulate provides comprehensive tax services for Individuals, LLCs, Corporations, Partnerships, and Trusts & Estates.
- **BOOKKEEPING & WRITE-UP SERVICES:** The Consulate provides bookkeeping and financial write-up services.
- **QUICKBOOKS® SERVICES:** The Consulate provides QuickBooks® installation and support services.

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## FIRM PRACTICES

The Consulate tailors its advisory services to the individual needs of each client. Financial planning and investment management services are predicated on the values and goals of each client. Also incorporated are the client's tolerance and capacity for investment risk, specific investment objectives, and time horizons regarding distributions. As time progresses and clients provide feedback on financial planning recommendations and their investment portfolio's response to various market and economic stimuli, The Consulate may adjust recommendations and/or investment strategy accordingly. Clients are also invited and encouraged to provide such feedback in annual Personal Financial Reviews. Clients may also place specific restrictions on the type and allocation of investments; such instructions must be given in writing.

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## WRAP-FEE PROGRAMS

The Consulate Offers an automated investment program "Automated Portfolios," through which clients are invested in a range of investment strategies we have constructed and manage, each consisting of a portfolio of exchange-traded funds ("ETFs") and a cash allocation. The client's portfolio is held in a brokerage account opened by the client at Charles Schwab & Co., Inc. ("CS&Co."). We use the Institutional Intelligent Portfolios® platform ("Platform"), offered by Schwab Performance Technologies ("SPT"), a software provider to independent investment advisors and an affiliate of CS&Co., to operate the Program. We are independent of and not owned by, affiliated with, or sponsored or supervised by SPT, CS&Co., or their affiliates (together, "Schwab"). We, and not Schwab, are the client's investment advisor and primary point of contact with respect to the Program. The Platform enables us to make the Program available to clients online and includes a system that automates certain key parts of our investment process (the "System"). The System includes an online questionnaire that helps us determine the client's investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. Clients should note that we will recommend a portfolio via the System in response to the client's answers to the online questionnaire. We charge clients a fee for our services as described below under Item 5 Fees and Compensation. Clients do not pay brokerage commissions or any other fees to CS&Co. as part of the Program. Schwab does receive other revenues in connection with the Program. We do not pay SPT fees for the Platform so long as we maintain \$100 million in client assets in accounts at CS&Co. that are not enrolled in the Program. If we do not meet this condition, then we pay SPT an annual licensing fee of 0.10% (10 basis points) on the value of our clients' assets in the Program. This fee arrangement gives us an incentive to recommend or require that our clients with accounts not enrolled in the Program be maintained with CS&Co. We offer this program as part of our Financial Management service offering and as such, our fees in Item 5 are the same for "Automated Portfolios" as they are for financial management.



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## ASSETS UNDER MANAGEMENT

The Consulate has \$ 585 million under management as of, January 2021. \$576 million of client assets are managed on a discretionary basis and \$9 million of client assets are managed on a non-discretionary basis.

We have decided, based on a conservative interpretation of SEC standards, to remove from the calculation assets under “supervision.” For the date of calculation, assets under “supervision” amounted to \$170 million. Assets under “supervision” are assets on our platform for which we have power of attorney to act and trade with discretion, but through agreements with our clients, we act only under their direction. Another term for these assets would be “non-discretionary.” From time to time, we may advise clients on these assets and execute requested trades however we do not actively manage the assets. Separately Managed Accounts have been included in the calculation of assets under management, but only in cases where the Manager may be hired and fired by the Advisor and the Advisor has been the one to provide the investment to the client; however, the Manager makes active trading decisions and enters into a separate agreement with the client to do so. The calculation of assets under management does include supervised or non-discretionary positions that exist within actively managed accounts. These assets, while potentially not fitting the SEC definition of assets under management, are believed to be immaterial to the overall figure.

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## OTHER INVESTMENTS AVAILABLE

Individual Separately Managed Accounts by investment management companies that participate in Charles Schwab & Co., Inc., TD Ameritrade, and/or Fidelity Investments’ managed account program. These accounts normally require large starting amounts with 100 thousand dollars being the minimum account size. Many companies require a 250 thousand dollar minimum. These types of managed accounts are best for clients with more than 1 million dollars of invested assets as the minimums are substantial and The Consulate desires ample diversification of managers.

## ITEM 5 – FEES AND COMPENSATION

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### FINANCIAL PLANNING SERVICES

- Financial Physical®: \$2,500

Clients who engage the Financial Consulate for Financial Management, Supervision, or a combination there of will receive a billing credit towards those services in the amount of the financial planning fee paid.

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## SPECIALTY SERVICES

- Retirement Plan Management: Negotiated on a per plan basis
  - Participants under “Retirement Plan Management” are considered to be entitled to the service offering specifically identified within the plan contract and are not (without separate engagement) considered clients of Personal Financial Management or Supervision. As such, they are not subject to the minimum fee detailed below but are also not entitled to the financial planning and other service offerings described without a separate engagement. Retirement plan management includes, but is not limited to: Simple IRA plans, 403(b) plans, 401(k) plans (not I401(k)) and others.
- Corporate Seminars: \$200/hour.
- General & Customized Services: \$200/hour, or as quoted.
  - For engagements that fall outside of our normal scope or provided to non-traditional clients, management alone may elect to offer a customized engagement to fit a client’s need.

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## TAX & ACCOUNTING SERVICES

- Tax Preparation: Based on complexity and determined on a return-by-return basis.
- Other Tax and Accounting Services: Based on complexity, billed hourly at the rate of the accountant or team member doing the work. Rates begin at \$30 per hour.

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## PERSONAL FINANCIAL MANAGEMENT

- Managed Portfolios including Equity\*
  - Active and Index-Oriented Allocation Portfolios
    - 1.0% of the first \$1,000,000
    - 0.7% of assets over \$1,000,000 to \$5,000,000
    - 0.5% of assets over \$5,000,000

- .25% of assets over \$25,000,000
- Managed Portfolios without Equity\*
  - Income
    - 0.50% of all assets
  - Short Term Income
    - 0.25% of all assets
- Separately Managed Accounts\*, \*\*
  - Equity based strategies
    - 0.50% of all assets
  - Income based strategies
    - 0.25% of all assets
- Guaranteed Withdrawal Annuities
  - 0.25% of all assets

The annual financial management fee is billed quarterly at a rate of  $\frac{1}{4}$  of the management fee. Portfolio assets are re-valued each quarter and 25% of the applicable annual fee percentage is then due. This fee covers determination of client objectives, risk tolerance, present portfolio analysis, portfolio development, portfolio monitoring, and ongoing financial planning advice. This fee is negotiable on a client-to-client basis. The Consulate also retains discretion to modify the fee structure in writing to the client.

New financial management clients are billed for the time remaining in the initial quarter at the beginning of the next quarter. Thereafter, fees are payable at the beginning of each quarter based on the account value at that time.

Wrap-fee participants – Clients who use our wrap-fee program, “Automated Portfolios,” pay fees in accordance with the schedule above, but as described in Item 4 Advisory Business, clients do not pay fees to SPT or brokerage commissions or other fees to CS&Co. as part of the Program. Schwab does receive other revenues in connection with the Program. Brokerage arrangements are further described below in Item 12 Brokerage Practices.

\*Some accounts may be billed at a different rate based on other factors.

**\*\*Accounts contracted at higher rates have been reduced to the current rate, SMA's contracted at lower rates have been grandfathered into the lower rates as of this filing.**

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#### FINANCIAL SUPERVISION

0.20% of all assets under supervision. This may be negotiated for clients with supervised assets over \$5,000,000 or significant managed assets also being billed.

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#### MINIMUM FEE FOR ONGOING SERVICES

Clients' fees will be calculated in accordance with the above schedules, but are also subject to a minimum annualized fee of \$2,500. If a client's quarterly fee, as calculated with the above schedules, generates less than \$625/quarter in management fees, they will be charged an additional fee (equal to the difference of their calculated fee and \$625) in order to meet the minimum and will be allocated pro-rata from their accounts and billed in the same manner as their other fees. Existing clients with lower fee schedules may be grandfathered on a case-by-case basis on the scope of work and discretion of the advisor. Any existing clients will be given proper notification in advance and asked to sign a new contract prior to being billed.

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#### ADDITIONAL INFORMATION REGARDING FEES AND COMPENSATION

The specific manner in which fees are charged by The Consulate is established in a client's written agreement with the firm. The Consulate will generally bill its fees on a quarterly basis. Clients will be billed in advance of each calendar quarter. Clients authorize The Consulate to directly debit fees from accounts under our management and supervision. In some cases, clients will be billed directly for fees (when fees are not able to be debited directly from the account). In very limited situations clients may be able to choose to be billed directly for fees.

Management fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar quarter. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. If the Advisory Contract is terminated by either party, advisory fees will be refunded on a prorated basis upon notice of termination.

The Consulate's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investments, and other third parties, such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

Such charges, fees, and commissions are exclusive of and in addition to The Consulate's fee, and The Consulate shall not receive any portion of these commissions, fees, or costs.

ITEM 12 further describes the factors The Consulate considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

#### ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The Consulate does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

#### ITEM 7 – TYPES OF CLIENTS

The Consulate may provide portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, Taft-Hartley plans, charitable institutions, foundations, endowments, municipalities, registered mutual funds, private investment funds, trust programs, sovereign funds, foreign funds such as UCITs and SICAVs, and other U.S. and international institutions.

New clients to the firm are subject to a minimum annualized fee of \$2,500.

Other restrictions on clients may be imposed based on offering minimums imposed by separate asset managers, and account types supported by technology partners for various service offerings.

Clients wishing to enroll in “Automated Portfolios” are limited to individuals, IRAs, and revocable living trusts. Clients that are organizations (such as corporations and partnerships) or government entities, and clients that are subject to the Employee Retirement Income Security Act of 1974 are not eligible for the Program. The minimum investment required to open an account in the Program is \$5,000. The minimum account balance to enroll in the tax-loss harvesting feature is \$50,000.

#### ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

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

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##### RISK OPPORTUNITY INVESTING\*

The Consulate utilizes an investment strategy known internally as Risk Opportunity Investing. This strategy places a priority on the aim of capital preservation and involves analyzing investments based on three lenses of analysis: technical, fundamental, and

macroeconomic. Risk Opportunity Investing seeks to blend the benefits of the following investment methods:

- Active Tactical Asset Allocation
  - Change the composition of the portfolio in response to changes in market conditions.
  - When the market is rising, the portfolio should be offensively positioned; when the market is falling, the portfolio is positioned to dampen volatility.
- Bottom-Up Fundamental Analysis
  - Analysis of the security and its value as a business entity or an investment.
- Top-Down Analysis
  - Process of gathering insight about which investments might outperform or underperform, given the macroeconomic environment.
- Technical Analysis
  - Analysis based on the information gained from observing the trading patterns of markets and individual securities.
- Others

\*Index portfolios are influenced by the same underlying philosophy of Risk Opportunity investing but have a distinct and inherent variation in terms of the tactical and analytical methods used when market capture is the priority.

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#### INHERENT INVESTING RISKS

All investments involve risks, including the loss of capital. Investors should be prepared to bear risks including, but not limited to the following:

- **Interest-rate risk** is the risk that the value of a security will go down because of changes in interest rates.
- **Inflation risk** is the risk that increases in the prices of goods and services, and therefore the cost of living, reduce your purchasing power.

- **Currency risk** occurs because many world currencies float against each other. If money needs to be converted to a different currency to make an investment, any change in the exchange rate between that currency and yours can increase or reduce your investment return.
- **Liquidity risk** is the risk that you might not be able to buy or sell investments quickly for a price that is close to the true underlying value of the asset.
- **Sociopolitical risk** is the possibility that instability or unrest in one or more regions of the world will affect investment markets.
- **Management risk** also known as company risk, refers to the impact that bad management decisions, other internal missteps, or even external situations can have on a company's performance and, as a consequence, on the value of investments in that company.
- **Trading risk** is the risk that portfolio management strategies used may generate increased brokerage and other transaction costs and taxes. Such expenses, fees and taxes may have a negative impact on portfolio performance.
- **Credit risk**, also called default risk, is the possibility that a bond issuer won't pay interest as scheduled or repay the principal at maturity.

The investment decisions you make—and sometimes those you fail to make—can expose you to certain risks that can impede your progress toward meeting your investment goals.

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#### POOLED INVESTMENT RISK

The Consulate may invest clients' money with pooled investment vehicles, such as mutual funds. Each pooled investment vehicle may have risks specific to it. Clients should review each investment's prospectus, offering memoranda, or other documents that the client will, or has received, which set out a more detailed discussion of risks.

#### ITEM 9 – DISCIPLINARY INFORMATION

The Consulate is required to disclose all material facts regarding any legal or disciplinary events that would be material in your evaluation of our company or the integrity of its management. Neither The Consulate nor any of our firm's employees have been involved in any legal or disciplinary events applicable to this Item.

## ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

### FINANCIAL PLANNING, TAX & ACCOUNTING SERVICES

Clients are offered and receive not only investment advice, but also financial planning advice and in some cases, income tax preparation, bookkeeping, financial preparation, or other accounting services.

There is a flat fee for an initial Financial Physical® (or other financial planning or specialty service mentioned in Item 4), but clients who, beyond the scope of the planning engagement, pursue Financial Management services receive ongoing financial planning advice as part of their Financial Management fee. Clients who receive tax preparation or other accounting services are billed a separate fee in each year in which they receive those services.

The Financial Consulate also acts as a pension consultant and collects asset management fees for pension accounts.

### HISTORICAL COST BASIS RESEARCH

Extensive analysis and review of the cost basis of specific securities purchased prior to being transferred to The Consulate for Financial Management or Supervision may be billed at a rate no higher than \$150/hour.

### ANDREW V. TIGNANELLI, SOLE PROPRIETORSHIP

The Consulate's principal, Andrew V. Tignanelli, Founder, is a Registered Insurance Advisor for Life and Health Insurance in Maryland. Andrew V. Tignanelli was a sole proprietorship. The company still collects renewal commissions from pre-1996 sales of approximately \$700/year. The company did structured settlements (annuities for defense insurance negotiations and not retail customer sales) until 2003. Mr. Tignanelli has not engaged in Structured Settlement placements since 2003 and has no intention of re-entering that market. All received commissions are donated to charity.

Mr. Tignanelli was also a licensed insurance agent prior to June of 1999. In June of 1999, Mr. Tignanelli dropped his insurance licenses and became an Insurance Advisor. As an insurance advisor, Mr. Tignanelli can still receive referral commissions, but he elects not to receive any referral fees or commissions now and has no plans to do so in the future.



The Consulate has an arrangement with Charles Schwab & Co, TD Ameritrade, National Financial Services, LLC, Equity Institutional, and Fidelity Brokerage Services LLC (collectively and together with all affiliates, "Schwab, TD Ameritrade, Equity Institutional, and Fidelity") through which Schwab, TD Ameritrade, Equity Institutional and Fidelity provide The Consulate with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Schwab, TD Ameritrade, Equity Institutional, and Fidelity's institutional platform services that assist The Consulate in managing and administering clients' accounts include software and other technology that: (i) provide access to client account data (such as trade confirmations and account statements), (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts, (iii) provide research, pricing and other market data, (iv) facilitate payment of fees from client accounts, and (v) assist with back-office functions, recordkeeping, and client reporting.

Schwab, TD Ameritrade, Equity Institutional, and Fidelity also offer other services intended to help The Consulate manage and further develop its advisory practice. Such services include, but are not limited to: performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, and access to consultants and other third party service providers who provide a wide array of business-related services and technology, with whom The Consulate may contract directly.

The Consulate is independently operated and owned and is not affiliated with Schwab, TD Ameritrade, Equity Institutional, or Fidelity.

Schwab, TD Ameritrade, Equity Institutional, and Fidelity generally do not charge their advisor clients separately for custody services, but are compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab, TD Ameritrade, Equity Institutional, and Fidelity or that settle into Schwab, TD Ameritrade, Equity Institutional, and Fidelity accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Schwab, TD Ameritrade, Equity Institutional, and Fidelity provide access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

The Consulate also has limited relationships with other platforms such as John Hancock, ADP, Guideline, and others for the servicing of retirement plans. The other relationships are limited in scope and account access is limited to reporting.

The Consulate also has limited relationships with other platforms or product providers such as Cantor Fitzgerald and Lincoln Financial for investment offerings. These providers have their own fees and disclosures separate from those of The Financial Consulate.

## ITEM 11 – CODE OF ETHICS

The Consulate has adopted a Code of Ethics for all firm employees describing its high standard of business conduct and fiduciary duty to our clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, as well as personal securities trading procedures. All Consulate employees must acknowledge the terms of the Code of Ethics annually or as amended.

### PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

The Consulate anticipates that, in appropriate circumstances and consistent with clients' investment objectives, we will recommend to investment advisory clients or prospective clients the purchase or sale of securities in which The Consulate, its affiliates, and/or clients, directly or indirectly, have a position of interest. The Consulate's employees and persons associated with The Consulate are required to follow our Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of The Consulate and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for The Consulate's clients.

The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of The Consulate will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code of Ethics certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of The Consulate's clients. In addition, the Code of Ethics requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics, in some circumstances, would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics and to reasonably prevent conflicts of interest between The Consulate and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with The Consulate's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. The Consulate will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated in a random fashion. Any exceptions will be explained on the order.

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#### CROSS TRADING AND TRANSACTIONS

It is The Consulate's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. The Consulate will also not cross trades between client accounts. Principal transactions are generally defined as transactions in which an advisor, acting as principal for his or her own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by, or under common control of the investment advisor, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an advisor is dually registered as a broker-dealer or has an affiliated broker-dealer.

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#### CODE OF ETHICS REQUESTS

The Consulate's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting:

Shannon Cooper  
410-823-7283  
201 International Circle, Suite 520  
Hunt Valley, MD 21030

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### ITEM 12 – BROKERAGE PRACTICES

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#### SELECTING BROKERAGE FIRMS

The Consulate annually reviews the broker dealers selected and recommended for executing client trades and custody of assets.

Factors used in selecting or recommending custodians include:

- Trading expenses
- Financial security
- Standing in the investment community
- Product offering
- Technology
- Access to markets and tools

The Consulate uses Schwab, TD Ameritrade, Equity Institutional, and Fidelity to handle the majority of client accounts. The Consulate chose Schwab, TD Ameritrade, Equity Institutional, and Fidelity because of their technical abilities to facilitate portfolio management, their financial strength, and their trading practices. We regard them as four of the most financially-sound broker dealers. Other brokers may be used at the Consulate's discretion and will be used primarily for unique trades, such as foreign exchanges and small U. S. Stocks, or if a material execution savings is possible.

Schwab, TD Ameritrade, Equity Institutional, and Fidelity do provide The Consulate with software facilitating client account management. The cost of the software is discounted solely from Charles Schwab & Co., Inc. because we hold a large amount of client assets with them. Charles Schwab may also offer access to research, entry or discounted entry to trade shows, and other benefits. These discounts and offerings may create an incentive for The Consulate to suggest their use.

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#### SCHWAB COST CONSIDERATIONS

##### Mutual funds:

|                                |      |
|--------------------------------|------|
| No Transaction Fee (NTF) funds | N/A  |
| All other funds                | \$15 |

##### Fixed Income:

Municipal, Government, and Corporate Bonds are priced competitively

##### Automated Portfolios:

Clients who wish to use "Automated Portfolios" must open the account with CS&Co., to gain access to the offering. If the client does not wish to place his or her assets with CS&Co., then we cannot manage the client's account through the Program. CS&Co. may aggregate purchase and sale orders for ETFs across accounts enrolled in the Program,

including both accounts for our clients and accounts for clients of other independent investment advisory firms using the Platform. Clients enrolled in this program do not pay transaction fees. If we do not maintain at least \$100 million in assets, then we must pay CS&Co. a fee for the program. This benefit does create a conflict of interest for the Consulate to recommend clients to custody with Charles Schwab.

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#### TD AMERITRADE COST CONSIDERATIONS

##### Mutual funds:

|                                |      |
|--------------------------------|------|
| No Transaction Fee (NTF) funds | N/A  |
| All other funds                | \$15 |

##### Fixed Income:

Municipal, Government, and Corporate Bonds are priced competitively

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#### FIDELITY TRADE CONSIDERATIONS

##### Mutual funds:

|                                |      |
|--------------------------------|------|
| No Transaction Fee (NTF) funds | N/A  |
| All other funds                | \$20 |

##### Fixed Income:

Municipal, Government, and Corporate Bonds are priced competitively

Fidelity Investments imposes a fee on advisors who maintain less than \$25 million in assets on their platform to maintain access to the platform. This fee creates a conflict of interest for the Consulate to recommend clients to custody with Fidelity.

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#### EQUITY INSTITUTIONAL

Equity Institutional as a custodian is utilized for unmanaged accounts to hold and transact alternative holdings at clients' direction.

##### Annual Fee (upon opening and every Jan. 1 thereafter)

##### Account Size:

|                           |            |
|---------------------------|------------|
| \$1-\$249,999             | \$250      |
| \$250,000 - \$499,999     | \$300      |
| \$500,000 - \$999,999     | \$350      |
| \$1,000,000 - \$2,499,999 | \$450      |
| \$2,500,000 - over        | Negotiated |

Other fees (wire, expedite, etc.) apply per account fee schedule.

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## LINCOLN FINANCIAL

Lincoln Financial serves as a custodian and insurance provider and is utilized for annuity products.

### Annual Fees

Variable annuity: 0.50%

Protected lifetime income benefit: 1.55%

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## GUIDELINE 401K

Guideline 401k serves as a Retirement Plan Provider, Custodian, and TPA for 401k plans.

### Annual Fees

\$39-\$99 per year+

\$8 Per Participant

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## NO PARTICIPATION IN TRANSACTION FEES

The Consulate receives nothing in return from Schwab, TD Ameritrade, Equity Institutional, or Fidelity for transaction fees paid. We negotiate annually with Schwab, TD Ameritrade, and Fidelity to lower their transaction fees for our clients. We also periodically review the offerings of other broker dealers to ensure optimal pricing.

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## ITEM 13 – REVIEW OF ACCOUNTS

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### PERIODIC REVIEWS

**PERSONAL FINANCIAL MANAGEMENT AND SUPERVISION CLIENTS:** Reviews are offered annually or semi-annually for Personal Financial Management or Supervision clients with annual fees over \$2,500. Reviews cover any changes in the client's goals, needs, or situation. Each reviewer will go over these factors as well as the current performance and status of accounts. Reviews are completed by the senior advisors of the firm including the President, Chief Investment Officer, and/or others. For small household clients (those under \$2,500 of annual fees), at least annually, the advisor assigned will review client and account information, request an update of any changes to risk tolerance or time horizon to assess any necessary changes to the investment model or other considerations.

**PLAN AND PLAN PARTICIPANT ACCOUNTS:** Plan investment options and design, as well as participant accounts, are reviewed in accordance with each specific Plan's service

contract. Participant accounts are most commonly reviewed with participants at their option on plan enrollment days scheduled by their plan sponsor.

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#### NON-PERIODIC REVIEWS

All, non “Retirement Plan Management,” accounts are reviewed daily for material transactions. Factors which may cause materiality include deposits, withdrawals, journals, receipt of securities, transfers of securities, and return of principal. “Retirement Plan Management” accounts are reviewed for transactions on a biweekly schedule and for allocation on a weekly basis. This difference in review is a result of the predictable nature of retirement plan cash flows. Other types of events may also trigger a review on a non-periodic basis, including direct client requests regularly solicited through updates and alerts from The Consulate via email.

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#### REPORTING

The Consulate provides various reports as a service to its clients. Quarterly reports featuring the account performance, holdings, weightings, and billings are provided to all clients. On an annual basis, tax reports featuring the client’s gains, losses and expense information are provided for tax-sensitive accounts. Annually or semiannually, a report featuring allocation, growth, growth versus net investment, holdings, performance, and summarized flows is provided to the client in conjunction with their annual or semiannual review. Reports are provided in electronic format primarily through the use of an online secured client portal.

### ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

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#### REFERRALS

The Consulate regularly refers clients to specialists and purveyors of financial products including, but not limited to, the following: attorneys and Certified Public Accountants, as well as agents and brokers providing life, disability, home, auto, health, long-term care, and liability insurance. The Consulate receives no economic benefit from any non-client to whom our clients may be referred. Additionally, we do not compensate any non-employees for referrals made to our firm; however, we may from time to time send a non-monetary gift to existing clients who make referrals.

We may receive benefits from custodians in the form of the support products and services they make available to us. These products and services, how they benefit us, and the related conflicts of interest are described above under Item 12 Brokerage Practices. The

availability to us of a custodian's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

## ITEM 15 – CUSTODY

### CUSTODY

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.

The Consulate is deemed to have custody of client funds and securities whenever it is given the authority to have fees deducted directly from client accounts. In addition, there are a small number of The Consulate client arrangements where our investment advisor representatives serve as trustee for the client. The role of trustee is imputed (or "assigned") to The Consulate and therefore we are deemed to have custody of those client funds and securities.

In addition, the Financial Consulate offers the following services that are also deemed to be custody of client funds:

- Locally safeguarding client settlement checks
- Providing bill pay and check writing services for clients
- The firm also has the ability to deduct miscellaneous fees, other than asset management fees

We have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client (other than The Consulate's affiliated trustee) are also notified, in writing, of the qualified custodian's name, address, and the manner in which the funds or securities are maintained, promptly when the account is opened and following any changes. Account statements are delivered directly from the qualified custodian to each client, or the client's independent representative (other than the Adviser-affiliated trustee), at least quarterly. Finally, all client accounts, for which we are deemed to have custody, are subject to an annual surprise verification examination conducted by a third-party, independent accounting firm.



## **Internal Control Reporting**

Based on the SEC's definition of custody, The Consulate is deemed to have custody over accounts managed by The Consulate. For these accounts, The Consulate has established the following procedures to comply with the SEC's Custody Rule:

- All client funds and securities are held at Charles Schwab, TD Ameritrade, Equity Institutional, or Fidelity Institutional, which serve as the qualified custodians, in separate accounts for each client under that client's name.
- Clients, or an independent representative of the client, will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address, and the manner in which the funds or securities are maintained.
- Account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from The Consulate. When clients have questions about their account statements, they should contact The Consulate or the qualified custodian preparing the statement.
- In accordance with SEC regulations The Consulate is subject to an annual surprise verification examination and an annual internal control review.
  - The Consulate must engage an independent, third-party accounting firm to perform an annual, surprise examination verifying the location of client funds and securities. When completed, the accounting firm's report will be available through the SEC's Investment Adviser Public Disclosure page at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our information on this website by searching for "The Consulate." You can also search using the firm's CRD number. The CRD number for the firm is 309962.
  - An internal control report must include an opinion of an independent public account as to whether controls have been placed in operation as of a specific date, and are suitably designed and are operating effectively to meet control objectives relating to custodial services held by The Consulate on behalf of our clients. The accounting firm must also verify that funds and securities of which The Consulate is deemed to have custody are reconciled to a custodian (i.e. Fidelity Institutional). The internal control report is prepared by a third-party accounting firm, not affiliated in any way with The Consulate that is

registered with and subject to regular inspection by the Public Company Accounting Oversight Board (PCAOB).

The Consulate is deemed to have custody of client funds and securities when The Consulate has standing authority (also known as a standing letter of authorization or “SLOA”) to move money from a client’s account to a third-party account.

## ITEM 16 – INVESTMENT DISCRETION

### DISCRETIONARY AUTHORITY

The Consulate ordinarily receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

#### **Investment objectives include:**

##### **Income Oriented Strategies**

- **SHORT TERM INCOME-** The objective of this strategy is to generate current income. Portfolios will primarily invest in short-term fixed income securities. Accounts are not limited by security or investment type, except as specified by the client on Schedule A of the contract. The relative weighting between these security types will vary depending on available investment opportunities and market conditions.
- **INCOME –** The objective of this strategy is to generate current income. Income portfolios may also contain some dividend-paying stocks. Accounts are not limited by security or investment type except as specified by the client on Schedule A of the contract. The relative weighting between these security types will vary depending on available investment opportunities and market conditions.

##### **Active & Index Oriented Allocation Strategies**

The strategies below can be managed in an Active or Index-oriented style. Strategies by the same name may hold different securities, have different weightings, and will likely have different returns. Each strategy differs primarily based on risk tolerance levels and relative weightings of the target allocations.

- **CONSERVATIVE**– The objective of this strategy is income generation with capital appreciation. Accounts are not limited by security or investment type, except as specified by the client on Schedule A of the contract. The relative weighting between these security types will vary depending on available investment opportunities and market conditions, with the maximum allowable equity exposure capped at 50%.
- **BALANCED** - The objectives of this strategy are income generation and capital appreciation. Accounts are not limited by security or investment type, except as specified by the client on Schedule A of the contract. The relative weighting between these security types will vary depending on available investment opportunities and market conditions.
- **GROWTH & INCOME**– The objective of this strategy is capital appreciation with income generation. Accounts are not limited by security or investment type except as specified by the client on Schedule A of the contract. The relative weighting between these security types will vary depending on available investment opportunities and market conditions.
- **GROWTH** – The objective of this strategy is primarily capital appreciation. Accounts are not limited by security or investment type except as specified by the client on Schedule A of the contract. The relative weighting between these security types will vary depending on available investment opportunities and market conditions.

When selecting securities and determining amounts, The Consulate observes the investment policies, limitations, and restrictions of each client. For registered investment companies, The Consulate’s authority to trade securities may also be limited by certain federal securities and tax laws requiring diversification of investments and favor the holding of investments once made.

The holdings of different accounts among the same investment objective may vary based on custodial choice, timing of the investments/deposits, client cash needs, as well as the availability of securities at a chosen price level.

The Consulate establishes its discretionary authority under its contract with the client including a limited power of attorney. Investment guidelines and restrictions must be provided to The Consulate in writing.

The Consulate also offers Separately Managed Accounts, “SMAs”, as part of some managed portfolios. SMA accounts are traded by outside managers to execute specific strategies or to

manage a specific segment of a client's portfolio. The Consulate, in most cases, maintains the ability to hire and fire the manager and oversees the execution of the strategy. The Consulate may use a number of different providers and strategies for these offerings and maintains a due diligence file on all providers and strategies.

#### ITEM 17 – VOTING CLIENT SECURITIES

The Consulate monitors corporate actions of individual issuers and investment companies consistent with its fiduciary duty to vote proxies in the best interest of its clients.

Regarding individual issuers, proxies may be solicited to vote on matters including corporate governance, adoption or amendments to compensation plans, and matters involving social issues and corporate responsibility. Regarding investment companies, proxies may be solicited to vote on matters including the approval of advisory contracts, distribution plans, and mergers.

Unless a client directs otherwise in writing, The Consulate shall be responsible 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 types of events pertaining to the asset.

Proxies are voted on a case-by-case basis. It is The Consulate's policy to vote against stock option grants to employees and other associates of the corporate entity. If any conflicts of interest are identified, we will maintain records documenting how such conflicts are addressed. The Consulate will refrain from voting proxies in limited circumstances in which the cost of voting the proxy exceeds the expected benefit to the client, such as voting foreign security proxies that would require travel or the services of a translator.

The Consulate or the client shall instruct each client custodian to forward copies of all proxies and shareholder communications relating to the managed assets to us. Information pertaining to how The Consulate voted on any specific proxy issue is available upon written request. We shall maintain records pertaining to proxy voting as required by the Advisor's Act, including copies of all client requests for information on how The Consulate voted proxies on behalf of the client.

Clients may obtain a copy of The Consulate's complete proxy voting policies and procedures upon request. Clients may also obtain information from The Consulate about how we voted any proxies on behalf of their account(s).

## ITEM 18 – FINANCIAL INFORMATION

Registered Investment Advisors are required in this Item to provide you with certain financial information or disclosures about our financial condition. The Consulate has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

**Andrew V. Tignanelli, CFP®, CPA**  
**Chairman and Planning Team Lead**

The Financial Consulate, Inc.  
201 International Circle, Suite 520  
Hunt Valley, MD 21053  
410-823-7283  
February 2021

**This Brochure Supplement provides information about Andrew V. Tignanelli, which supplements The Financial Consulate brochure. You should have received a copy of that brochure. Please contact Shannon Cooper, Compliance & Marketing Coordinator, if you did not receive The Consulate's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Andrew V. Tignanelli is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## ITEM 2- EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

### **Andrew V. Tignanelli**

Chairman and Planning Team Lead

Born 1957

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#### EDUCATION

Bachelor of Science Degree in Business Administration, Towson State University, Towson MD, 1979

Certified Financial Planner, College for Financial Planning, Denver, CO, 1983 (For further explanation, see Item 19.1)

Property & Casualty Insurance, 1983 (Relinquished 1998)

Life & Health Insurance, 1979 (Relinquished in 1998)

NASD Series 7, 1979 (Relinquished 1998)

Certified Public Accountant, Maryland, 1984 (For further explanation, see Item 19.7)

Registered Insurance Advisor, Maryland, 1998

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#### BUSINESS BACKGROUND

Registered Representative, Investors Diversified Services, 1979

Financial Planner/Treasurer, Lebowitz & Associates, 1980-83

President, Coordinated Asset Planning Company, 1984-03

President, Coordinated Asset Services Company, 1984-01

President, The Financial Consulate, Inc., 1984-Present

Adjunct Faculty, College for Financial Planning, 1987-89

President, Baltimore Association for Financial Planning, 1984-85

President/Committee Member, IAFP, Mid-Atlantic Reg. Conf., 1983-88

Member, Financial Committee, Chartwell Golf & Country Club, 1986-91

Member, Alumni Association, Towson State University, 1990

Personal Financial Specialist, AICPA, 1990-02

Member, Board of Directors, Alumni Association, Towson State University, 1991-92

Registered Insurance Advisor, 2006-Present

Member, National Association of Personal Financial Planners (NAPFA), 2005-Present

### ITEM 3- DISCIPLINARY INFORMATION

Registered Investment Advisors are required to disclose all material facts regarding any legal or disciplinary events that would be meaningful in your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

### ITEM 4- OTHER BUSINESS ACTIVITIES

Andrew V. Tignanelli is a Registered Insurance Advisor for Life and Health Insurance in Maryland. Andrew V. Tignanelli was a sole proprietorship. The company still collects renewal commissions from pre-1996 sales of approximately \$700/year. The company did structured settlements (annuities for defense insurance negotiations and not retail customer sales) until 2003. Mr. Tignanelli has not engaged in structured settlement placements since 2003 and has no intention of re-entering that market. All received commissions are donated to charity.

Mr. Tignanelli was also a licensed insurance agent prior to June of 1999. In June of 1999, Mr. Tignanelli dropped his insurance licenses and became an Insurance Advisor. As an insurance advisor, Mr. Tignanelli can still receive referral commissions, but he elects not to receive any referral fees or commissions now and has no plans to do so in the future.

### ITEM 5- ADDITIONAL COMPENSATION

Registered Investment Advisors are required to disclose all material facts regarding economic benefits to the supervised person for providing advisory services that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.



## ITEM 6 - SUPERVISION

Andrew V. Tignanelli is the Chairman and Planning Team Lead of the Financial Consulate. His actions and advice are monitored by the Chief Compliance Officer and in the event of any issues, would be reported to the SEC.

Michael P. McCarthy  
Chief Compliance Officer  
410-823-7283

**Michael P. McCarthy, CPA, CFP®/PFS  
President and Chief Executive Officer  
Chief Compliance Officer**

**The Financial Consulate, Inc.  
201 International Circle, Suite 520  
Hunt Valley, MD 21053  
410-823-7283  
February 2021**

**This Brochure Supplement provides information about Michael P. McCarthy, which supplements The Financial Consulate brochure. You should have received a copy of that brochure. Please contact Shannon Cooper, Compliance & Marketing Coordinator, if you did not receive The Consulate's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Michael P. McCarthy is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## ITEM 2- EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

### **Michael P. McCarthy**

President and Chief Executive Officer

Chief Compliance Officer

Born 1985

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#### EDUCATION

Personal Financial Specialist Designation, 2017 (For further explanation, see Item 19.5)

Certified Financial Planner™ Designation, 2016 (For further explanation, see Item 19.1)

Certified Public Accountant Designation, 2015 (For further explanation, see Item 19.7)

Bachelor of Science Degree in Accounting, Towson University, MD, 2009

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#### BUSINESS BACKGROUND

Tax Department, Arthur F. Bell CPAs, 2007-08

Chief Compliance Officer, The Financial Consulate, Inc., 2008-Present

## ITEM 3- DISCIPLINARY INFORMATION

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

## ITEM 4- OTHER BUSINESS ACTIVITIES

Registered Investment Advisors are required to disclose all material facts regarding any activity engaged in within investment related businesses that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

## ITEM 5- ADDITIONAL COMPENSATION

Registered Investment Advisors are required to disclose all material facts regarding economic benefits to the supervised person for providing advisory services that would be

material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

#### ITEM 6 - SUPERVISION

Michael P. McCarthy is the President and Chief Executive Officer, however, the actions and advice of Michael P. McCarthy are monitored and supervised by the Chairman of the Board of the company. In the event of any issues, the Chairman of the Board of The Consulate would respond & notify the SEC if warranted.

Andrew V. Tignanelli  
Chairman of the Board  
410-823-7283

**Charles B. Bender III, CFP®, CPA, MBA**  
**Chief Financial Officer**

The Financial Consulate, Inc.  
201 International Circle, Suite 520  
Hunt Valley, MD 21053  
410-823-7283  
February 2021

**This Brochure Supplement provides information about Charles B. Bender III, which supplements The Financial Consulate brochure. You should have received a copy of that brochure. Please contact Shannon Cooper, Compliance & Marketing Coordinator, if you did not receive The Consulate's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Charles B. Bender III is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## ITEM 2- EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

### **Charles B. Bender III**

Chief Financial Officer

Born 1969

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#### EDUCATION

Bachelor of Science Degree in Accounting, Virginia Tech, VA, 1992

Certified Public Accountant, 1994 (For further explanation, see Item 19.7)

Master of Business Administration, Finance Concentration, Loyola College, MD, 2001

Certified Financial Planner, 2008 (For further explanation, see Item 19.1)

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#### BUSINESS BACKGROUND

Audit Manager, Ernst & Young LLP, 1992-1998

Adjunct Faculty, Mount St. Mary's, 1998-2002

Financial Planning Manager, McCormick Inc., 1998-2005

Vice President of Finance, LogicTree, 2005-2006

Adjunct Faculty, Towson University, 2010

Chief Financial Officer, The Financial Consulate, Inc., 2006-Present

## ITEM 3- DISCIPLINARY INFORMATION

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

#### ITEM 4- OTHER BUSINESS ACTIVITIES

Registered Investment Advisors are required to disclose all material facts regarding any activity engaged in within investment related businesses that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

#### ITEM 5- ADDITIONAL COMPENSATION

Registered Investment Advisors are required to disclose all material facts regarding economic benefits to the supervised person for providing advisory services that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

#### ITEM 6 - SUPERVISION

The actions and advice of Charles B. Bender III are monitored and supervised by the Chief Compliance Officer, the President, and their peers. In the event of any issues, the Chief Compliance Officer would be notified and would report to the President of The Consulate & SEC if warranted.

Michael P. McCarthy  
Chief Compliance Officer  
410-823-7283

**Roger I. Bair III, CFP®, AIFA®**  
**Senior Relationship Manager**

The Financial Consulate, Inc.  
201 International Circle, Suite 520  
Hunt Valley, MD 21053  
410-823-7283

February 2021

**This Brochure Supplement provides information about Roger I. Bair III, which supplements The Financial Consulate brochure. You should have received a copy of that brochure. Please contact Shannon Cooper, Compliance & Marketing Coordinator, if you did not receive The Consulate's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Roger I. Bair III is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**



## ITEM 2- EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

### **Roger I. Bair III**

Senior Relationship Manager

Born 1957

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#### EDUCATION

Bachelor of Arts Degree, McDaniel College, MD, 1979

Master of Science in Finance, Loyola University, MD, 1999

Certified Financial Planner™ Designation, 2010 (For further explanation, see Item 19.1)

Accredited Investment Fiduciary Analyst® Designation, 2010, (upgraded to AIFA from AIF in 2012) (For further explanation, see Item 19.2)

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#### BUSINESS BACKGROUND

Vice President & Senior Portfolio Manager, Oxford Capital Management, 1991-1996

Chief Investment Officer, PSA Financial Center, 1996-2008

Regional Vice President, The Financial Consulate, Inc., 2008-Present

## ITEM 3- DISCIPLINARY INFORMATION

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

## ITEM 4- OTHER BUSINESS ACTIVITIES

Registered Investment Advisors are required to disclose all material facts regarding any activity engaged in within investment related businesses that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

#### ITEM 5 - ADDITIONAL COMPENSATION

Registered investment advisors are required to disclose all material facts regarding economic benefits to the supervised person for providing advisory services that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

#### ITEM 6 - SUPERVISION

The actions and advice of Roger I. Bair III are monitored and supervised by the Chief Compliance Officer, the President, and their peers. In the event of any issues, the Chief Compliance Officer would be notified and would report to the President of The Consulate & SEC if warranted.

Michael P. McCarthy  
Chief Compliance Officer  
410-823-7283

**Christopher J. O'Shea, CFP®, CPA**  
**Chief Investment Officer**

**The Financial Consulate, Inc.**  
**201 International Circle, Suite 520**  
**Hunt Valley, MD 21053**  
**410-823-7283**  
**February 2021**

**This Brochure Supplement provides information about Christopher J. O'Shea, which supplements The Financial Consulate brochure. You should have received a copy of that brochure. Please contact Shannon Cooper, Compliance & Marketing Coordinator, if you did not receive The Consulate's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Christopher J. O'Shea is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)**

## ITEM 2- EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

### **Christopher J. O'Shea**

Chief Investment Officer

Director, Tax Administration

Born 1958

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#### EDUCATION

Certified Financial Planner™ Designation, 1991-2004, 2014 (For further explanation, see Item 19.1)

Certified Public Accountant Designation, 1987 (For further explanation, see Item 19.7)

Bachelor of Science Degree in Business Administration (Accounting & Finance),  
Towson University, Towson, MD, 1982

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#### BUSINESS BACKGROUND

Manager, Management Information Systems, Alexander & Alexander, Inc., 1982-1989

COO & Financial Planner, The Financial Consulate, 1989-2003

CFO & Youth Director, CrossRoads Community Church, 2003-2012

CIO, The Financial Consulate, 2013-Present

## ITEM 3- DISCIPLINARY INFORMATION

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

## ITEM 4- OTHER BUSINESS ACTIVITIES

Registered Investment Advisors are required to disclose all material facts regarding any activity engaged in within investment related businesses that would be material to your

evaluation of each supervised person providing investment advice. No information is applicable to this Item.

#### ITEM 5- ADDITIONAL COMPENSATION

Registered Investment Advisors are required to disclose all material facts regarding economic benefits to the supervised person for providing advisory services that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

#### ITEM 6 - SUPERVISION

The actions and advice of Christopher J. O'Shea are monitored and supervised by the Chief Compliance Officer, the President, and their peers. In the event of any issues, the Chief Compliance Officer would be notified and would report to the President of The Consulate & SEC if warranted.

Michael P. McCarthy  
Chief Compliance Officer  
410-823-7283

**Graham P. Ewing, CFP®**  
**Director of Financial Planning Standards**

The Financial Consulate, Inc.  
201 International Circle, Suite 520  
Hunt Valley, MD 21053  
410-823-7283  
February 2021

**This Brochure Supplement provides information about Graham P. Ewing, which supplements The Financial Consulate brochure. You should have received a copy of that brochure. Please contact Shannon Cooper, Compliance & Marketing Coordinator, if you did not receive The Consulate's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Graham P. Ewing is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)**

## ITEM 2- EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

### **Graham P. Ewing**

Director of Financial Planning Standards

Born 1991

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#### EDUCATION

Certified Financial Planner™ Designation, 2014 (For further explanation, see Item 19.1)

Bachelor of Science Degree in Business Administration (Finance), Towson University, Towson, MD, 2012

Masters of Business Administration with an emphasis in Financial Planning, California Lutheran University, Thousand Oaks, CA, 2019

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#### BUSINESS BACKGROUND

Associate Financial Planner, The Financial Consulate, Inc., 2012-2014

Financial Planner, The Financial Consulate, Inc., 2015-Present

## ITEM 3- DISCIPLINARY INFORMATION

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

## ITEM 4- OTHER BUSINESS ACTIVITIES

Registered Investment Advisors are required to disclose all material facts regarding any activity engaged in within investment related businesses that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

#### ITEM 5 - ADDITIONAL COMPENSATION

Registered Investment Advisors are required to disclose all material facts regarding economic benefits to the supervised person for providing advisory services that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

#### ITEM 6 - SUPERVISION

The actions and advice of Graham P. Ewing are monitored and supervised by the Chief Compliance Officer, the President, and their peers. In the event of any issues, the Chief Compliance Officer would be notified and would report to the President of The Consulate & SEC if warranted.

Michael P. McCarthy  
Chief Compliance Officer  
410-823-7283



**Robert C. Boehner, CPA, CFP®**  
**Director of Tax and Accounting Services**

**The Financial Consulate, Inc.**

1302 Proline Place  
Gettysburg, PA 17325  
717-334-1861

February 2021

**This Brochure Supplement provides information about Robert C. Boehner, which supplements The Financial Consulate brochure. You should have received a copy of that brochure. Please contact Shannon Cooper, Compliance & Marketing Coordinator, if you did not receive The Consulate's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Robert C. Boehner is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)**

## ITEM 2- EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

### **Robert C. Boehner**

Director of Tax and Accounting

Born 1957

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#### EDUCATION

Certified Public Accountant Designation, 1997 (For further explanation, see Item 19.7)

Certified Financial Planner™ Designation, 2016 (For further explanation, see Item 19.1)

Bachelor of Arts (Cum Laude) in Accounting, Grove City College, 1980

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#### BUSINESS BACKGROUND

Staff Accountant, George C. Boehner, Public Accountant, 1980-1981

Partner, Boehner and Boehner, 1981-1994

Sole Proprietor, 1995

Partner, Boles, Grove and Metzger 1996-2000

President, Robert C. Boehner, CPA PC, 2001-2014

Director of Tax and Accounting Services, The Financial Consulate, Inc., 2014-Present

## ITEM 3- DISCIPLINARY INFORMATION

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

## ITEM 4- OTHER BUSINESS ACTIVITIES

Registered Investment Advisors are required to disclose all material facts regarding any activity engaged in within investment related businesses that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

#### ITEM 5- ADDITIONAL COMPENSATION

Registered Investment Advisors are required to disclose all material facts regarding economic benefits to the supervised person for providing advisory services that would be material to your evaluation of each supervised person providing investment advice. Robert Boehner still receives trailing income from “Robert Boehner CPA, PC” for accounting services rendered prior to 2015 but not yet paid; this is generally less than \$3,000 and declining.

#### ITEM 6 - SUPERVISION

The actions and advice of Robert C. Boehner are monitored and supervised by the Chief Compliance Officer, the President, and their peers. In the event of any issues, the Chief Compliance Officer would be notified and would report to the President of The Consulate & SEC if warranted.

Michael P. McCarthy  
Chief Compliance Officer  
410-823-7283

**Alexander R. Price, CFP®**  
**Financial Planner**

**The Financial Consulate, Inc.**  
201 International Circle, Suite 520  
Hunt Valley, MD 21053  
410-823-7283  
February 2021

**This Brochure Supplement provides information about Alexander R. Price, which supplements The Financial Consulate brochure. You should have received a copy of that brochure. Please contact Shannon Cooper, Compliance & Marketing Coordinator, if you did not receive The Consulate's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Alexander R. Price is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)**

## ITEM 2- EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

### **Alexander R. Price**

Financial Planner

Born 1994

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#### EDUCATION

Certified Financial Planner™ Designation, 2019 (For further explanation, see Item 19.1)

Bachelor of Science Degree in Business Administration (Finance), Towson University, Towson, MD, 2017

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#### BUSINESS BACKGROUND

Associate Financial Planner, The Financial Consulate, Inc., 2017-Present

Training Center Attendant, Fox Hollow Golf Course, 2015-2017

Golf Sales Associate & Technician, Dicks Sporting Goods, 2015-2016

## ITEM 3- DISCIPLINARY INFORMATION

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

## ITEM 4- OTHER BUSINESS ACTIVITIES

Registered Investment Advisors are required to disclose all material facts regarding any activity engaged in within investment related businesses that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

#### ITEM 5- ADDITIONAL COMPENSATION

Registered Investment Advisors are required to disclose all material facts regarding economic benefits to the supervised person for providing advisory services that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

#### ITEM 6 - SUPERVISION

The actions and advice of Alexander R. Price are monitored and supervised by the Chief Compliance Officer, the President and their peers, in the event of any issues the Chief Compliance Officer would be notified and would report to the President of the Consulate & SEC if warranted.

Michael P. McCarthy  
Chief Compliance Officer  
410-823-7283

**Madison M. Bennett, CFP®**  
**Financial Planner**

The Financial Consulate, Inc.  
201 International Circle, Suite 520  
Hunt Valley, MD 21053  
410-823-7283  
February 2021

**This Brochure Supplement provides information about Madison M. Bennett, which supplements The Financial Consulate brochure. You should have received a copy of that brochure. Please contact Shannon Cooper, Compliance & Marketing Coordinator, if you did not receive The Consulate's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Madison M. Bennett is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)**

## ITEM 2- EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

### **Madison M. Bennett**

Financial Planner

Born 1996

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#### EDUCATION

Certified Financial Planner™ Designation, 2020 (For further explanation, see Item 19.1)

Bachelor of Science Degree in Business Administration (Finance), Towson University, Towson, MD, 2018

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#### BUSINESS BACKGROUND

Associate Financial Planner, The Financial Consulate, Inc., 2017-Present

Server, The Pier Restaurant, 2017-2018

Server, Glory Days, 2017

Server, Stoney's Seafood House, 2016-2017

Server, The Leonardtown Grille, 2013-2016

## ITEM 3- DISCIPLINARY INFORMATION

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

## ITEM 4- OTHER BUSINESS ACTIVITIES

Registered Investment Advisors are required to disclose all material facts regarding any activity engaged in within investment related businesses that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.



#### ITEM 5- ADDITIONAL COMPENSATION

Registered Investment Advisors are required to disclose all material facts regarding economic benefits to the supervised person for providing advisory services that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

#### ITEM 6 - SUPERVISION

The actions and advice of Madison M. Bennett are monitored and supervised by the Chief Compliance Officer, the President, and their peers. In the event of any issues, the Chief Compliance Officer would be notified and would report to the President of The Consulate & SEC if warranted.

Michael P. McCarthy  
Chief Compliance Officer  
410-823-7283