



## Fairhaven Financial Advisory Corporation

1400 Abbot Road, Suite 330  
East Lansing, Michigan 48823

### **Form ADV Part 2A – Firm Brochure**

Phone: 517-332-2900  
Fax: 517-332-2909  
Website: <http://www.fairhavenfinancial.com>

Dated November 16, 2023

This brochure provides information about the qualifications and business practices of Fairhaven Financial Advisory Corporation (Fairhaven Financial). If you have any questions about the contents of this brochure, please contact us at 517-332-2900. 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.

Fairhaven Financial registered as an Investment Adviser with the States of Michigan and Florida, and notice filed in the State of Texas. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about Fairhaven Financial is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), which can be found using the firm's identification number 124266.

## Item 2: Material Changes

---

Since the last annual filing of this Form ADV Part 2A, dated January 31, 2023, the following material changes have occurred:

- Item 4 – We are now reporting regulatory assets under management and applying for registration with the U.S. Securities and Exchange Commission.

Please note, this section only discusses changes we deem material.

# Item 3: Table of Contents

---

## Contents

Item 1: Cover Page..... 1

Item 2: Material Changes..... 2

Item 3: Table of Contents ..... 3

Item 4: Advisory Business ..... 4

Item 5: Fees and Compensation ..... 7

Item 6: Performance-Based Fees and Side-By-Side Management..... 9

Item 7: Types of Clients..... 10

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss ..... 10

Item 9: Disciplinary Information ..... 12

Item 10: Other Financial Industry Activities and Affiliations..... 13

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading . 14

Item 12: Brokerage Practices..... 15

Item 13: Review of Accounts ..... 18

Item 14: Client Referrals and Other Compensation ..... 19

Item 15: Custody..... 19

Item 16: Investment Discretion ..... 20

Item 17: Voting Client Securities ..... 20

Item 18: Financial Information ..... 20

Item 19: Requirements for State-Registered Advisers ..... 21

Form ADV Part 2B – Brochure Supplement..... 23

# Item 4: Advisory Business

---

## Description of Advisory Firm

Fairhaven Financial Advisory Corporation (“Fairhaven Financial”) is a Michigan corporation that is registered as an Investment Adviser in the State of Michigan (registration granted February 4, 1999) the State of Florida (registration granted July 26, 2012), and notice filed in the State of Texas (granted July 23, 2018). Joseph R. Brooks (CRD Number 712568) is President and owner of Fairhaven Financial. Rachel C. Anderson (CRD No. 5427633) is an Investment Adviser Representative and Chief Compliance Officer of Fairhaven Financial. Fairhaven Financial is not publicly owned or traded. There are no indirect owners of the firm or intermediaries who have any ownership interest in the firm. The firm manages clients’ portfolios on a periodic basis, offering both discretionary and non-discretionary services. As of November 3, 2023, Fairhaven Financial manages \$242,888,700 on a discretionary basis and \$10,602,472 on a non-discretionary basis.



Joseph R. Brooks, ChFC, is a Charter Member of Ed Slott’s Master Elite IRA Advisor Group and was featured as the Guest IRA Expert in *Ed Slott’s IRA Advisor, November 2010 edition*. This newsletter is distributed to thousands of financial advisors, CPA’s and attorneys around the country. It is also distributed to well-known publications such as *The Wall Street Journal*, *Kiplinger Letter*, *Money Magazine*, and many others. Joe was featured in *The Wall Street Journal* with an article entitled “Check the IRA Math” which dealt with custodial and required minimum distribution mistakes, both of which may occur in the distribution of IRA assets. He was also featured in a March 15, 2016, *USA Today* article titled “If you inherit an IRA, make a plan before doing a thing” which dealt with tax issues associated with inheriting an IRA.

Rachel C. Anderson has worked with Joseph R. Brooks at Fairhaven Financial since 1997. She has been the Chief Compliance Officer since 2011 and passed the exam required to become an Investment Adviser Representative in October 2016. Jonathan R. Brooks has worked with Joseph R. Brooks at Fairhaven Financial since 2016. He passed the exam required to become an Investment Adviser Representative in February 2018. Joshua S. Roberds has worked with Joseph R. Brooks at Fairhaven since 2017. He passed the exam required to become an investment adviser representative in January 2019. Fairhaven Financial is an independent Registered Investment Adviser and comprehensive service provider, specializing in IRAs and qualified retirement plans for retirees and those nearing retirement. Through a systematic financial review process, Fairhaven Financial helps investors avoid costly gaps and oversights in investments, taxes, estate planning, insurance, Social Security and IRA distributions. With the philosophy “better data leads to better decisions,” the team has a unique capability to collect, store and compile investment data—exceeding government and industry standards—to assist clients in making the most informed investment decisions possible. With more than 30 years of experience advising on retirement assets for both individual and corporate accounts, Joseph R. Brooks, ChFC®, and his staff bring extensive knowledge of distributions, rollovers and critical tax and legal considerations to clients. Fairhaven Financial is dedicated to transparency, independent advice and integrity. Joe holds a B.A. from Michigan State University and is a member of the Society of Financial Service Professionals. Previously he was the Vice President of the Central Michigan Chapter of the International Association of Financial Planning.

## Types of Advisory Services

### Gold Medal Services

At Fairhaven Financial, we constantly aspire to exceed expectations for client service and quality retirement, estate and financial planning. As such, we offer our clients Gold Medal Services to help realize their goals for retirement and beyond. These Gold Medal services can include, but are not limited, to investment advisory services, investment tax basis reporting, retirement distribution planning, client services and communications, estate planning & trustee/executor services, social security, retirement plan services, general consultation and financial planning services. To this aim, Fairhaven Financial provides Gold Medal Services, Limited Investment Advisory Services, Retirement Plan Services, General Consultation Services and Financial Planning Services, which are described below.

**Investment Advisory Services** are offered on both a discretionary and a non-discretionary basis and involve the creation of an investment portfolio based on the client's specific needs and situation; portfolio assets will be monitored and reviewed during the client's investment review. We have investment strategies that are based on account size and risk tolerance. These strategies are conservative, moderately conservative, moderate, moderately aggressive, and aggressive. Clients receiving this service are encouraged to stay in contact with Fairhaven Financial. Fairhaven Financial offers quarterly or semiannual investment reviews to Clients. However, it is up to the Client to contact Fairhaven Financial to arrange for an investment review if it has not occurred at least semiannually. Clients should contact Fairhaven Financial promptly if there has been any change in their current financial status to determine if there needs to be a change in investment objectives or risk tolerance. Clients may call the office at any time during normal business hours to request an investment review as needed or to discuss directly with Joseph R. Brooks, Jonathan R. Brooks, Joshua Roberds or Rachel C. Anderson issues regarding their account, financial situation or investment needs. Clients receive standard account statements from their custodian on either a monthly or quarterly basis, or as transactions occur. Additionally, Fairhaven Financial will provide on a quarterly basis a report of the assets and securities held in the Client's account along with the market value.

Fairhaven Financial may utilize no-load mutual funds, ETF's, cash, stocks, bonds and load mutual funds purchased at net asset value (NAV) in a Client portfolio.

### Limited Investment Advisory Services

Fairhaven Financial also offers a limited investment advisory service for clients that do not have a need for our Gold Medal Services. This service is offered on both a discretionary and non-discretionary basis. This service involves the creation of an investment portfolio based on the client's specific needs and situation. Clients should contact Fairhaven Financial promptly if there has been any change in their current financial status information to determine if there needs to be a change in investment objectives or risk tolerance. Clients receive standard account statements from their custodian on either a monthly or quarterly basis, or as transactions occur.

Fairhaven Financial may utilize no-load mutual funds, ETF's, cash, stocks, bonds and load mutual funds purchased at net asset value (NAV) in a Client portfolio.

## Retirement Plan Services

**Investment Advisory Service** - Fairhaven Financial also offers investment advisory services for certain qualified retirement plans. This covers the services described in “Investment Advisory Services” above, as well as the recommendation of a Third Party Administrator for the plan client, but does not include the services offered under Gold Medal Services.

**Employer Sponsored Plan Advisor Services (“ESPAS”)**- We offer non-discretionary consulting to 401(k) plans and their trustees with respect to such matters as:

- (1) Enrollment of employees into the plan;
- (2) Recommendation of 3(38) ERISA fiduciary for management of plan assets;
- (3) Recommendation of third party administrator for the plan;
- (4) Offer to meet with participants on an annual basis to address questions regarding their plan, not to provide investment advisory services.

All plans to which we provide ESPAS are regulated under the Employee Retirement Income Securities Act ("ERISA"). The plan fiduciary is free to seek independent advice about the appropriateness of any recommended services for the plan.

## General Consultation and Financial Planning Services

Fairhaven Financial offers General Consultation and Financial Planning Services on an hourly or flat fee basis. Consultations can be general or focused in nature, depending upon the needs of the Client. General Consultation and Financial Planning Services to be provided to the Client will be outlined on the “Financial Services Agreement” signed by the Client. After completion/delivery of the General Consultation and/or Financial Planning Services there is no further obligation for implementation or monitoring.

Fairhaven Financial offers Financial Planning Services on issues such as life insurance planning, disability insurance planning, retirement planning, retirement distribution planning, estate planning, asset allocation planning, and other financial services issues on an as needed basis identified by the Client.

Financial Planning Services may include preparation of the Client’s Financial Statement reflecting their overall financial situation. The Financial Statement may or may not include one or more of the above referenced services; they may cover only desired components or may be comprehensive in nature, depending upon the specific needs and desires of the Client. As the Financial Statement is established, recommendations may be offered in relation to the Client’s needs.

The Financial Planning process may include the following:

1. Initial Client Meeting to review and determine which financial planning services are applicable.
2. Obtain financial data and discuss applicable issues for preparation of the report from the selected financial planning service(s).

3. Analyze financial data and provide written report based upon that information.
4. Deliver the plan and recommendations to Client.
5. Assist in implementation of the plan and recommendations, when requested.

## Educational Seminars

Fairhaven Financial may conduct seminars and/or classes on various financial topics such as risk tolerance, time horizon, financial planning, beneficiary designation issues, IRAs, other qualified retirement plan issues, titling of assets and so forth.

## Client Tailored Services and Client Imposed Restrictions

We offer the same suite of services to all of our clients. However, specific client services and their implementation are dependent upon a client's current situation (income, tax levels, investment objectives, and risk tolerance). This is used to construct a client specific portfolio that matches restrictions and needs.

## Wrap Fee Programs

We do not participate in wrap fee programs.

# Item 5: Fees and Compensation

---

Our advisory fee is based on the service being performed and market value of the assets under advisement and is calculated as follows:

Account Value	Gold Medal Services Maximum Fee	Limited Investment Advisory Maximum Fee	Retirement Plan Service – Investment Advisory Services Maximum Fee (Pooled Plan)
<b>\$0 - \$100,000</b>	1.60%	0.50%	1.60%
<b>\$100,001 - \$250,000</b>	1.60%	0.50%	1.60%
<b>\$250,001 – 500,000</b>	1.30%	0.50%	1.30%
<b>\$500,001 - \$600,000</b>	1.20%	0.50%	1.20%
<b>\$600,001 - \$1,000,000</b>	1.00%	0.50%	1.00%
<b>\$1,000,001 and Above</b>	Negotiable	Negotiable	Negotiable

**Employer Sponsored Plan Advisor Services (“ESPAS”)** - The type and amount of the fees charged to the client, subject to negotiation, will be based on the market value of the participant's assets, and is up to 0.75% per year.

## **Billing For Above Advisory Services**

The fees may be negotiated based on individual circumstances, complexities, and proposed future contributions, at the discretion of Fairhaven Financial. Fees may be higher or lower than the cost of similar services offered through other financial services firms.

Fees are payable in advance on a quarterly basis. Fees are negotiable and are not based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds. The initial fee may be prorated if services begin any time after the beginning of a calendar quarter and will be calculated based upon the value of the account at account establishment. Thereafter, the quarterly advisory fee will be calculated based on the value of the account on the last business day of the just completed calendar quarter. A Client's accounts under management with Fairhaven Financial may or may not be aggregated together for determining the Client's fee breakpoint.

Clients may make additions to the Account or withdrawals from the Account, provided the Account continues to meet minimum account size requirements, as described in Item 7 below. No fee adjustments will be made for partial withdrawals from the account or additional deposits to the account during a calendar quarter or for Account appreciation or depreciation.

The advisory fees payable to Fairhaven Financial will be collected directly from their account provided the Client has given Fairhaven Financial written authorization, or may be paid by check or debit/credit card through a third party payment processor. Advisory fees for all subsequent periods will be charged to and collected directly from the Client's account early in the quarter and will be based on the value of the portfolio as of the last working day of the previous quarter. Clients will be provided with a fee invoice that identifies the advisory fee, the value of the Account and how the fee was calculated. Additionally, Clients will be provided with an account statement from their custodian reflecting the deduction of the advisory fee.

Clients may terminate investment advisory services obtained from Fairhaven Financial, without penalty, upon written notice within five (5) business days of entering into the advisory agreement with Fairhaven Financial. Client will be responsible for any fees and charges incurred by Client from third parties as a result of maintaining the Account such as transaction fees for any securities transactions executed and Account maintenance or custodial fees. Thereafter, Client may terminate investment advisory services at any time upon written notice to Fairhaven Financial. Should Client terminate investment advisory services, Client will be issued a pro-rata refund of the advisory fee for the quarter from the date notice of termination is received to the end of the calendar quarter.

## **General Consultation Services Fees**

Fairhaven Financial offers General Consultation Services on an hourly or flat fee basis. General Consultation Service's fees will be dependent upon the complexity of services and agreed upon at the time of engagement. Fairhaven Financial's hourly fee ranges from \$100-\$250, depending upon the complexity of services required. Fees are negotiable. Fixed project fees may be proposed for larger projects ranging from \$100 to \$10,000. Fees will be due and payable upon completion of the General Consultation Services. General Consultation Services terminate upon the delivery of services and an invoice will be delivered for the time incurred by Fairhaven Financial. The Client may terminate services within the first five (5) business days of entering into the advisory agreement with Fairhaven Financial without penalty. Thereafter, if the Client terminates the

General Consultation Services prior to completion, the Client may be billed for time incurred by Fairhaven Financial prior to termination.

## **Financial Planning Services Fees and Compensation**

Fees for Financial Planning Services are determined prior to engagement and are based upon the complexity of services rendered. The hourly fee is \$100-\$250, depending upon the complexity of services. For larger projects, Fairhaven Financial will provide services on a flat fee basis ranging from \$100 to \$10,000. Fees are negotiable. Fees will be due and payable upon delivery of the financial plan. If the Client's circumstances or objectives change to the degree that substantial modifications or a new financial plan is required, there may be an additional charge. Financial Planning Services terminate upon delivery of the financial plan. Clients may terminate the Financial Planning Services Agreement within five (5) days of entering into the Agreement without penalty. Thereafter, if the Client terminates the Financial Planning Services prior to completion, the Client may be billed for time incurred by Fairhaven Financial prior to termination.

## **Financial Seminar Fees**

Fairhaven Financial may conduct seminars and/or teach classes on various financial topics. Fees for seminars and/or classes range from \$0-\$100 per person. Fees are not negotiable. Fees may be modified for groups based upon the number of attendees and the complexity of the seminar or class content. Seminar or class fees will be due prior to or on the day of the seminar or class as set forth in the seminar or class invitation or announcement.

## **Other Types of Fees and Expenses**

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual 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 our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for client's transactions and determining the reasonableness of their compensation (e.g., commissions).

We do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

# **Item 6: Performance-Based Fees and Side-By-Side Management**

---

We are not compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of the client.

## Item 7: Types of Clients

---

Clients are individuals, defined benefit pension plans, defined contribution plans, trusts, estates, charitable organizations, corporations and other business entities.

### **Minimum Account Sizes**

Fairhaven Financial requires a minimum account size of \$100,000 for Clients receiving our Gold Medal Services. Often, IRA's, Inherited IRA's and Roth IRA Conversions are under the minimum account size of \$100,000. Fairhaven Financial has the ability to waive the minimum portfolio size at its discretion. There is no minimum portfolio size for Limited Investment Advisory Services.

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

---

Clients are asked their investment objectives and risk tolerance upon establishment of an account. This information is documented via the New Account Form ("NAF") at the opening of the account. Based on this information, an asset allocation based portfolio is created for the client.

Subject to suitability requirements, we generally advise the long-term purchase of mutual funds to our Clients. Long-term purchases are typically defined as the purchase of securities held for at least a year.

When pursuing our long-term purchases strategy, we are assuming the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. In addition, purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

### **Material Risks Involved**

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Material risks associated with our investment strategies are listed below.

**Manager Risk:** the risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy.

**Market Risk:** the risk that the stock market will decline, decreasing the value of the securities contained within the mutual funds we recommend to you.

**Industry Risk:** the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, decreasing the value of mutual funds that are significantly invested in that industry.

**Inflation Risk:** the risk that the rate of price increases in the economy deteriorates the returns associated with the mutual fund.

Listed above are some of the primary risks associated with the way we recommend investments to you, please do not hesitate to contact us to discuss these risks and others in more detail. Please refer to the mutual fund's prospectus for specific risks associated with the fund.

## **Risks Associated with Securities**

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Common stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

**Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

**Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

**Investment Companies Risk.** When a client invests in open end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which clients invest.

# Item 9: Disciplinary Information

---

Persons working with Fairhaven Financial Advisory Corporation have NOT been involved in any of the events listed below.

- a) A criminal or civil action in a domestic, foreign or military court of competent jurisdiction, involving any of the following:
  - i. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any felony; a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
  - ii. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
  - iii. was found to have been involved in a violation of an investment-related statute or regulation; or
  - iv. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a management person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.
- b) An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency involving any of the following:
  - i. was found to have caused an investment-related business to lose its authorization to do business; or
  - ii. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority
    - i. denying, suspending, or revoking the authorization of your firm or a management person to act in an investment-related business;
    - ii. barring or suspending your firm’s or a management person’s association with an investment related business;
    - iii. otherwise significantly limiting your firm’s or a management person’s investment-related activities; or
    - iv. imposing a civil money penalty of more than \$2,500
- c) A self-regulatory organization (SRO) proceeding involving any of the following:
  - i. was found to have caused an investment-related business to lose its authorization to do business; or
  - ii. was found to have been involved in a violation of the SRO’s rules and was: (i) barred or suspended from membership or from association with other members or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.

# Item 10: Other Financial Industry Activities and Affiliations

---

Joseph Brooks, Rachel Anderson, and Lara Hernandez are licensed as registered representatives of Innovation Partners, LLC, a FINRA Broker/Dealer. As such, in their separate capacity as registered representatives, they will be able to effect securities transactions for your account, for which they will receive separate and customary compensation. While they endeavor at all times to put the interest of our clients first as part of our firm's fiduciary duty, you should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect their judgment when making recommendations.

No Fairhaven Financial employee is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

Insurance products and financial planning services are provided to Clients for personal, estate and business needs. Joseph R. Brooks and Jonathan R. Brooks are licensed insurance agents representing numerous insurance companies in the State of Michigan and various other states. Joseph R. Brooks and Jonathan R. Brooks are licensed for life, health, fixed annuities, and immediate annuities. This activity accounts for approximately 5% or less of Fairhaven Financial's time.

Fairhaven Financial is a licensed insurance agency in the State of Michigan. Should Clients purchase insurance products through Fairhaven Financial, commissions will be earned and paid by insurance companies to Fairhaven Financial. Insurance products are often recommended to help minimize Clients' exposure in identified risks. Clients are under no obligation to purchase insurance products or utilize the companies recommended by Fairhaven Financial. Clients are advised the commissions received for insurance products purchased by Clients are in addition to any advisory fees Clients may have paid Fairhaven Financial. Therefore, Fairhaven Financial has a conflict of interest in having Clients purchase insurance products through Fairhaven Financial.

*Please note: Casualty insurance is an important coverage that requires review. However, Fairhaven Financial does not review casualty insurance issues. The Client should review these coverages with a casualty insurance professional of their choice.*

## **Recommendations or Selections of Other Investment Advisers**

Fairhaven Financial does not select other investment advisers for its clients. Fairhaven Financial does recommend other Investment Advisers as 3(38) fiduciaries to ERISA plan sponsors under their Employer Sponsored Plan Advisor Services, however the plan sponsor enters into a direct agreement with the other Investment Adviser and Fairhaven Financial does not receive any compensation from the other Investment Adviser.

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

---

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each client. Our clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings.

## **Code of Ethics Description**

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to clients.
- Competence - Associated persons shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matter shall reflect credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide of copy of its Code of Ethics to any client or prospective client upon request.

## **Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest**

Neither our firm, its associates or any related person is authorized to recommend to a client, or effect a transaction for a client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

## **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

Our firm and its "related persons" may buy or sell securities similar to, or different from, those we recommend to clients for their accounts. In an effort to reduce or eliminate certain conflicts of interest

involving the firm or personal trading, our policy may require that we restrict or prohibit associates' transactions in specific reportable securities transactions. Any exceptions or trading pre-clearance must be approved by the firm principal in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

## **Trading Securities at/Around the Same Time as Client's Securities**

From time to time, our firm or its "related persons" may buy or sell securities for themselves at or around the same time as clients. We will not trade non-mutual fund securities prior to the same security for clients, on the same day.

## **Investment Advice Relating to Retirement Accounts**

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

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

In addition, and as required by this rule, we provide information regarding the services that we provide to you, and any material conflicts of interest, in this brochure and in your client agreement.

# **Item 12: Brokerage Practices**

---

Fairhaven Financial does not maintain custody of your assets on which we advise, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15—Custody, below). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We recommend that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Schwab as custodian, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so.

## Factors Used to Select Custodians and/or Broker-Dealers

We seek to recommend a custodian that will hold your assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. We consider a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds, etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit us, as discussed below (see “Products and services available to us from Schwab”)

### Brokerage and Custody Costs

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions, 12b-1 fees (that we do not receive), or other fees on trades that it executes or that settle into your Schwab account. This commitment benefits you because the overall commission rates you pay are lower than they would be otherwise. We have determined that having Schwab execute your trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “Factors Used to Select Custodians and/or Broker-Dealers”).

### Products and services available to us from Schwab

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab’s business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Schwab’s support services are generally available on an unsolicited basis (we don’t have to request them) and at no charge to us. Following is a more detailed description of Schwab’s support services:

**Services that benefit you.** Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab’s services described in this paragraph generally benefit you and your account.

**Services that may not directly benefit you.** Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

**Services that generally benefit only us.** Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

### **Our interest in Schwab's services**

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We do not have to pay for Schwab's services. These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. We may have an incentive to recommend that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "Factors Used to Select Custodians and/or Broker-Dealers") and not Schwab's services that benefit only us.

#### **1. Research and Other Soft-Dollar Benefits**

We currently do not receive soft dollar benefits.

#### **2. Brokerage for Client Referrals**

We receive no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### 3. Clients Directing Which Broker-dealer/Custodian to Use

We do recommend a specific custodian for clients to use, however, clients may custody their assets at a custodian of their choice. Clients may also direct us to use a specific broker-dealer to execute transactions. By allowing clients to choose a specific custodian, we may be unable to achieve most favorable execution of client transaction and this may cost clients' money over using a lower-cost custodian.

### Aggregating (Block) Trading for Multiple Client Accounts

Investment advisers may elect to purchase or sell the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as aggregating orders, batch trading or block trading. We generally do not engage in block trading, however depending on the specific situation or the trade, we may aggregate trades on a limited basis. It should be noted that implementing trades on a block or aggregate basis might be less expensive for client accounts; however, our normal trading policy is to implement all client orders on an individual basis. Considering the types of investments we hold in advisory client accounts and the fact that we provide our investment advisory services on a non-discretionary basis, we do not believe clients are hindered in any way because we trade accounts individually. This is because we develop individualized investment strategies for clients, and holdings will vary. Our strategies are primarily developed for the long-term, and minor differences in price execution are not material to our overall investment strategy.

## Item 13: Review of Accounts

---

Gold Medal and Retirement Plan Investment Advisory Services involve monitoring and review of portfolio assets upon client request during their investment review meetings. Fairhaven Financial offers quarterly or semiannual investment reviews to Clients. This review may be completed either in person or over the phone. However, it is up to the Client to contact Fairhaven Financial to arrange for an investment review if it has not occurred at least semiannually. The reviewers will be Joseph R. Brooks, President and Principal of Fairhaven Financial, Jonathan R. Brooks, Investment Adviser Representative, Joshua S. Roberds, Investment Adviser Representative or Rachel C. Anderson, Investment Adviser Representative. Reviews consist of an examination of investment account holdings. Fairhaven Financial does not provide investment supervisory services. Clients under these services are encouraged to stay in contact with Fairhaven Financial. Clients should contact Fairhaven Financial promptly if there has been any change in their current financial status to determine if there needs to be a change in investment objectives or risk tolerance. Clients may call the office at any time during normal business hours to request an investment review as needed or to discuss directly with Joseph R. Brooks, Jonathan R. Brooks, Joshua S. Roberds or Rachel C. Anderson issues regarding the Client's account, financial situation or investment needs.

Clients who retain Fairhaven Financial for Gold Medal and Retirement Plan Investment Advisory Services will receive quarterly reports from Fairhaven Financial of the assets held in the Client's account listing the securities held and their market value. Clients receive account statements from their qualified custodian monthly, quarterly, or as transactions occur. We urge clients to compare our reports against the account

statements they receive from their custodian. Quarterly reports are not provided to clients in the Limited Investment Advisory Services.

Accounts under Limited Investment Advisory Services are reviewed on a periodic basis; reviews conducted by Joseph R. Brooks, Jonathan R. Brooks or Rachel C. Anderson, will consist of an examination of investment account holdings. Fairhaven Financial does not provide investment supervisory services. Clients should contact Fairhaven Financial promptly if there has been any change in their current financial status to determine if there needs to be a change in investment objectives or risk tolerance.

Clients may retain Fairhaven Financial for General Consultation or Financial Planning Services, which terminate upon the delivery of services; no reviews of the account or ongoing services are performed. It would be the Client's responsibility to update his or her financial goals or secure additional services of Fairhaven Financial.

## Item 14: Client Referrals and Other Compensation

---

We do not receive any economic benefit, directly or indirectly from any third party for advice rendered to our clients. Nor do we directly or indirectly compensate any person who is not advisory personnel for client referrals.

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisers whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12—Brokerage Practices). The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

## Item 15: Custody

---

Fairhaven Financial does not accept custody of client funds. Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the account statements or reports that we may provide to you. Our statements or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

For client account in which Fairhaven Financial directly debits their advisory fee:

- i. Fairhaven Financial will send a billing notice of its invoice to the custodian at the same time that it sends the client a copy.
- ii. The custodian will send at least quarterly statements to the client showing all disbursements for the account, including the amount of the advisory fee.

- iii. The client will provide written authorization to Fairhaven Financial, permitting them to be paid directly for their accounts held by the custodian.

## Item 16: Investment Discretion

---

Fairhaven Financial manages clients' portfolios on a continuous basis, offering both discretionary and non-discretionary services. Investment discretion is explained to clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the client will execute a Limited Power of Attorney, which will grant our firm discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the client. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

For non-discretionary services, Fairhaven Financial will give advance notice and seek the Client's consent for any changes to their portfolio.

## Item 17: Voting Client Securities

---

We do not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

## Item 18: Financial Information

---

We do not have custody of client funds or securities or require or solicit prepayment of more than \$500 in fees per client six months or more in advance.

# Item 19: Requirements for State-Registered Advisers

---

## Joseph Ray Brooks

Born: 1953

### Educational Background

- 1976 – BA, Michigan State University

### Business Experience

- Fairhaven Financial Advisory Corporation, East Lansing, MI, President, Registered Investment Adviser, 06/1999 – Present
- Fairhaven Financial Advisory Corporation, East Lansing, MI, President, Insurance Agency, 01/1999 – Present
- Innovation Partners, LLC, Charlotte, NC, Registered Representative, Broker-dealer, 11/2020 - Present
- MerCap Securities, LLC, Paoli, PA, Registered Representative, Broker-dealer, 03/2019-11/2020
- Royal Alliance Associates, Inc., New York, NY, Registered Representative, Broker-dealer, 01/1997 – 04/2017
- Securities America, Inc., Lavista, NE, Registered Representative, Broker-dealer, 04/2017 – 06/2017
- Arbor Point Advisors, LLC, Lavista, NE, Investment Adviser Representative, Registered Investment Adviser, 04/2017 – 06/2017
- Michigan State University, Alumni Lifelong Education Evening College, E. Lansing, MI, Instructor Adult Evening College, 10/2005 – 10/2005

### Professional Designations, Licensing & Exams

- Series 1 Securities Exam (1980);
- Series 63 Blue Sky Law (1980)
- Series 7 General Securities Exam (1986)
- Series 24 General Securities Principal Exam (2014)

**Chartered Financial Consultant (ChFC):** 2001 - This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take seven mandatory courses which include the following disciplines: financial, insurance, retirement and estate planning; income taxation, investments and application of financial planning; as well as two elective courses involving the application of the aforementioned disciplines. Each course has a final proctored exam and once issued, the individual is required to submit 30 hours of continuing education every two years.

### Other Business Activities

Joseph R. Brooks is licensed as a registered representative of Innovation Partners, LLC, a FINRA Broker/Dealer. As such, in his separate capacity as a registered representative, he will be able to effect securities transactions for your account, for which he will receive separate and customary compensation. While we endeavor at all

times to put the interest of our clients first as part of our firm's fiduciary duty, you should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect our judgment when making recommendations.

### **Performance Based Fees**

Fairhaven Financial is not compensated by performance-based fees.

### **Material Disciplinary Disclosures**

No management person at Fairhaven Financial Advisory Corporation has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

### **Material Relationships That Management Persons Have with Issuers of Securities**

Neither Fairhaven Financial Advisory Corporation, nor Joseph R. Brooks, has any relationship or arrangement with issuers of securities.



## Fairhaven Financial Advisory Corporation

1400 Abbot Road, Suite 330  
East Lansing, Michigan 48823  
517-332-2900

Dated November 16, 2023

### Form ADV Part 2B – Brochure Supplement

*For*

**Joseph R. Brooks**

President

This brochure supplement provides information about Joseph R. Brooks that supplements the Fairhaven Financial Advisory Corporation (“Fairhaven Financial”) brochure. A copy of that brochure precedes this supplement. Please contact Rachel C. Anderson at the telephone number listed above if the Fairhaven Financial brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Joseph R. Brooks, is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using his identification number, 712568.

# Item 2: Educational Background and Business Experience

---

**Joseph Ray Brooks**

Born: 1953

## **Educational Background**

- 1976 – BA, Michigan State University

## **Business Experience**

- Innovation Partners, LLC, Charlotte, NC, Registered Representative, Broker-dealer, 11/2020 - Present
- Michigan State University, Alumni Lifelong Education Evening College, E. Lansing, MI, Instructor Adult Evening College, 10/2005 – 10/2005
- Fairhaven Financial Advisory Corporation, East Lansing, MI, President, Registered Investment Adviser, 06/1999 – Present
- Fairhaven Financial Advisory Corporation, East Lansing, MI, President, Insurance Agency, 01/1999 – Present
- MerCap Securities, LLC, Paoli, PA, Registered Representative, Broker-dealer, 03/2019-11/2020
- Royal Alliance Associates, Inc., New York, NY, Registered Representative, Broker-dealer, 01/1997 – 04/2017
- Securities America, Inc., Lavista, NE, Registered Representative, Broker-dealer, 04/2017 – 06/2017
- Arbor Point Advisors, LLC, Lavista, NE, Investment Adviser Representative, Registered Investment Adviser, 04/2017 – 06/2017

## **Professional Designations, Licensing & Exams**

- Series 1 Securities Exam (1980);
- Series 63 Blue Sky Law (1980)
- Series 7 General Securities Exam (1986)
- Series 24 General Securities Principal Exam (2014)

**Chartered Financial Consultant (ChFC):** 2001 - This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take seven mandatory courses which include the following disciplines: financial, insurance, retirement and estate planning; income taxation, investments and application of financial planning; as well as two elective courses involving the application of the aforementioned disciplines. Each course has a final proctored exam and once issued, the individual is required to submit 30 hours of continuing education every two years.

# Item 3: Disciplinary Information

---

Joseph R. Brooks has never been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## Item 4: Other Business Activities

---

Joseph R. Brooks is licensed as a registered representative of Innovation Partners, LLC, a FINRA Broker/Dealer. As such, in his separate capacity as a registered representative, he will be able to effect securities transactions for your account, for which he will receive separate and customary compensation. While we endeavor at all times to put the interest of our clients first as part of our firm's fiduciary duty, you should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect our judgment when making recommendations.

## Item 5: Additional Compensation

---

Insurance products and financial planning services are provided to Clients for personal, estate and business needs. Joseph R. Brooks is a licensed insurance agent representing numerous insurance companies in the State of Michigan and various other states. Joseph R. Brooks is licensed for life, health, fixed annuities, and immediate annuities. This activity accounts for approximately 5% or less of his time.

Fairhaven Financial is a licensed insurance agency in the State of Michigan. Should Clients purchase insurance products through Fairhaven Financial; commissions will be earned and paid by insurance companies to Fairhaven Financial. Insurance products are often recommended to help minimize Clients' exposure in identified risks. Clients are under no obligation to purchase insurance products or utilize the companies recommended by Fairhaven Financial. Clients are advised that the commissions received for insurance products purchased by Clients are in addition to any advisory fees Clients may have paid Fairhaven Financial. Therefore, Fairhaven Financial has a conflict of interest in having Clients purchase insurance products through Fairhaven Financial.

## Item 6: Supervision

---

Rachel C. Anderson, as Chief Compliance Officer of Fairhaven Financial, is responsible for supervision. She may be contacted at (517) 332-2900.

## Item 7: Requirements for State Registered Advisers

---

A. Joseph R. Brooks has **NOT** been involved in any of the events listed below.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - a) an investment or an investment-related business or activity;
  - b) fraud, false statement(s), or omissions;
  - c) theft, embezzlement, or other wrongful taking of property;
  - d) bribery, forgery, counterfeiting, or extortion;
  - e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
  - a) an investment or an investment-related business or activity;
  - b) fraud, false statement(s), or omissions;
  - c) theft, embezzlement, or other wrongful taking of property;
  - d) bribery, forgery, counterfeiting, or extortion;
  - e) dishonest, unfair, or unethical practices.
- B. Joseph R. Brooks has **NOT** been the subject of a bankruptcy petition.



## Fairhaven Financial Advisory Corporation

1400 Abbot Road, Suite 330  
East Lansing, Michigan 48823  
517-332-2900

Dated November 16, 2023

### Form ADV Part 2B – Brochure Supplement

*For*

#### **Rachel C. Anderson**

Investment Adviser Representative, CCO

This brochure supplement provides information about Rachel C. Anderson that supplements the Fairhaven Financial Advisory Corporation (“Fairhaven Financial”) brochure. A copy of that brochure precedes this supplement. Please contact Rachel C. Anderson at the telephone number listed above if the Fairhaven Financial brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Rachel C. Anderson is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the identification number 5427633.

# Item 2: Educational Background and Business Experience

---

**Rachel C. Anderson**

Born: 1963

## **Educational Background**

- 1985 – BS, Computer Science, Michigan State University

## **Business Experience**

- Fairhaven Financial Advisory Corporation, East Lansing, MI, Investment Adviser Representative & CCO, Registered Investment Adviser, 06/2017 – Present
- Innovation Partners, LLC, Charlotte, NC, Registered Representative, Broker-dealer, 11/2020 - Present
- MerCap Securities, LLC, Paoli, PA, Registered Representative, Broker-dealer, 03/2019-11/2020
- Fairhaven Financial Advisory Corporation, East Lansing, MI, Operations Administrator & CCO, Registered Investment Adviser, 08/2007 – 06/2017
- Fairhaven Financial Advisory Corporation, East Lansing, MI, Data Entry Clerk, Registered Investment Adviser, 08/1997 – 08/2007
- Royal Alliance Associates, Inc., New York, NY, Registered Representative, Broker-dealer, 10/2016 – 04/2017
- Securities America, Inc., Lavista, NE, Registered Representative, Broker-dealer, 04/2017 – 06/2017
- Arbor Point Advisors, LLC, Lavista, NE, Investment Adviser Representative, Registered Investment Adviser, 04/2017 – 06/2017

## **Professional Designations, Licensing & Exams**

- Series 7 General Securities Exam (2008);
- Series 63 Blue Sky Law (2008)
- Series 24 General Securities Principal Exam (2014)
- Series 66 Uniform Combined State Law Examination (2016)

# Item 3: Disciplinary Information

---

Rachel Anderson has never been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

# Item 4: Other Business Activities

---

Rachel Anderson is licensed as a registered representative of Innovation Partners, LLC, a FINRA Broker/Dealer. As such, in her separate capacity as a registered representative, she will be able to effect securities transactions for your account, for which she will receive separate and customary compensation. While we endeavor at all times to put the interest of our clients first as part of our firm's fiduciary duty, you

should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect our judgment when making recommendations.

## Item 5: Additional Compensation

---

Fairhaven Financial is a licensed insurance agency in the State of Michigan. Should Clients purchase insurance products through Fairhaven Financial; commissions will be earned and paid by insurance companies to Fairhaven Financial. Insurance products are often recommended to help minimize Clients' exposure in identified risks. Clients are under no obligation to purchase insurance products or utilize the companies recommended by Fairhaven Financial. Clients are advised that the commissions received for insurance products purchased by Clients are in addition to any advisory fees Clients may have paid Fairhaven Financial. Therefore, Fairhaven Financial has a conflict of interest in having Clients purchase insurance products through Fairhaven Financial.

## Item 6: Supervision

---

Rachel C. Anderson, as Chief Compliance Officer of Fairhaven Financial, is responsible for supervision. Mr. Joseph Brooks, as President of Fairhaven Financial, supervises Ms. Rachel C. Anderson. They may be contacted at (517) 332-2900.

## Item 7: Requirements for State Registered Advisers

---

- A. Rachel C. Anderson has **NOT** been involved in any of the events listed below.
1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
    - a) an investment or an investment-related business or activity;
    - b) fraud, false statement(s), or omissions;
    - c) theft, embezzlement, or other wrongful taking of property;
    - d) bribery, forgery, counterfeiting, or extortion;
    - e) dishonest, unfair, or unethical practices.
  2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
    - a) an investment or an investment-related business or activity;
    - b) fraud, false statement(s), or omissions;
    - c) theft, embezzlement, or other wrongful taking of property;
    - d) bribery, forgery, counterfeiting, or extortion;
    - e) dishonest, unfair, or unethical practices.
- B. Rachel C. Anderson has **NOT** been the subject of a bankruptcy petition.



## Fairhaven Financial Advisory Corporation

1400 Abbot Road, Suite 330  
East Lansing, Michigan 48823  
517-332-2900

Dated November 16, 2023

### Form ADV Part 2B – Brochure Supplement

*For*

#### **Jonathan R. Brooks**

Investment Advisor Representative

This brochure supplement provides information about Jonathan R. Brooks that supplements the Fairhaven Financial Advisory Corporation (“Fairhaven Financial”) brochure. A copy of that brochure precedes this supplement. Please contact Rachel C. Anderson at the telephone number listed above if the Fairhaven Financial brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Jonathan R. Brooks is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the identification number 6696538.

# Item 2: Educational Background and Business Experience

---

**Jonathan R. Brooks**

Born: 1993

## **Educational Background**

- 2015 – BS, Accounting, Taylor University

## **Business Experience**

- Fairhaven Financial Advisory Corporation, East Lansing, MI, Investment Adviser Representative, 02/2018 – Present
- Fairhaven Financial Advisory Corporation, East Lansing, MI, Operations Administrator, 08/2016 – 02/2018
- Fairhaven Financial Advisory Corporation, East Lansing, MI, Back Office Staff, 03/2016 – 08/2016
- Taylor University, Upland IN, Residential Assistant, 08/2013 – 05/2015

## **Professional Designations, Licensing & Exams**

- Uniform Registered Investment Advisor Representative (Series 65): 2018- The Series 65 is a securities license required by most U.S. states for individuals who act as investment advisors. The Series 65 exam, called the Uniform Investment Adviser Law Examination, covers laws, regulations, ethics, and topics such as retirement planning, portfolio management strategies, and fiduciary responsibilities. While there are no prerequisites in order to sit for the Series 65 exam some firms require significant industry experience as well as other industry designations to manage client's accounts and provide professional investment advice.

# Item 3: Disciplinary Information

---

Jonathan R. Brooks has never been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

# Item 4: Other Business Activities

---

Jonathan Brooks is not involved in any outside business.

# Item 5: Additional Compensation

---

Insurance products and financial planning services are provided to Clients for personal, estate and business needs. Jonathan R. Brooks is a licensed insurance agent representing numerous insurance companies in the State of Michigan and various other states. Jonathan R. Brooks is licensed for life, health, fixed annuities, and immediate annuities. This activity accounts for approximately 5% or less of his time.

Fairhaven Financial is a licensed insurance agency in the State of Michigan. Should Clients purchase insurance products through Fairhaven Financial; commissions will be earned and paid by insurance companies to Fairhaven Financial. Insurance products are often recommended to help minimize Clients' exposure in identified risks. Clients are under no obligation to purchase insurance products or utilize the companies recommended by Fairhaven Financial. Clients are advised that the commissions received for insurance products purchased by Clients are in addition to any advisory fees Clients may have paid Fairhaven Financial. Therefore, Fairhaven Financial has a conflict of interest in having Clients purchase insurance products through Fairhaven Financial.

## Item 6: Supervision

Rachel C. Anderson, as Chief Compliance Officer of Fairhaven Financial, is responsible for supervision. She may be contacted at (517) 332-2900.

## Item 7: Requirements for State Registered Advisers

- 
- A. Jonathan Brooks has **NOT** been involved in any of the events listed below.
1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
    - a) an investment or an investment-related business or activity;
    - b) fraud, false statement(s), or omissions;
    - c) theft, embezzlement, or other wrongful taking of property;
    - d) bribery, forgery, counterfeiting, or extortion;
    - e) dishonest, unfair, or unethical practices.
  2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
    - a) an investment or an investment-related business or activity;
    - b) fraud, false statement(s), or omissions;
    - c) theft, embezzlement, or other wrongful taking of property;
    - d) bribery, forgery, counterfeiting, or extortion;
    - e) dishonest, unfair, or unethical practices.
- B. Jonathan Brooks has **NOT** been the subject of a bankruptcy petition.



## Fairhaven Financial Advisory Corporation

1400 Abbot Road, Suite 330  
East Lansing, Michigan 48823  
517-332-2900

Dated November 16, 2023

### Form ADV Part 2B – Brochure Supplement

*For*

**Joshua S. Roberds**

Investment Adviser Representative

This brochure supplement provides information about Joshua S. Roberds that supplements the Fairhaven Financial Advisory Corporation (“Fairhaven Financial”) brochure. A copy of that brochure precedes this supplement. Please contact Rachel C. Anderson at the telephone number listed above if the Fairhaven Financial brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Joshua S. Roberds is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the identification number 6792838.

## Item 2: Educational Background and Business Experience

---

**Joshua S. Roberds**

Born: 1992

### **Educational Background**

- 2011 – 2012, Ferris State University, Mechanical Engineering
- 2012 – 2013, Grand Valley State University, Mechanical Engineering

### **Business Experience**

- Fairhaven Financial Advisory Corporation, East Lansing, MI, Investment Advisor Representative, 01/2019 – Present
- Fairhaven Financial Advisory Corporation, East Lansing, MI, Operations Administrator, 05/2017 – Present
- Securities America, Inc., East Lansing, MI, Operations Administrator, 05/2017 – 06/2017
- Extend Your Reach, Grand Rapids, MI, Floor Tech, 09/2016 – 05/2017
- Munters Corporation, Lansing, MI, Saw Tech, 12/2015 – 09/2016
- Royal Technologies, Hudsonville, MI, Mold Utility, 10/2012 – 12/2015

### **Professional Designations, Licensing & Exams**

- Uniform Registered Investment Advisor Representative (Series 65): 2019 - The Series 65 is a securities license required by most U.S. states for individuals who act as investment advisors. The Series 65 exam, called the Uniform Investment Adviser Law Examination, covers laws, regulations, ethics, and topics such as retirement planning, portfolio management strategies, and fiduciary responsibilities. While there are no prerequisites in order to sit for the Series 65 exam some firms require significant industry experience as well as other industry designations to manage client's accounts and provide professional investment advice.

## Item 3: Disciplinary Information

---

No management person at Fairhaven Financial Advisory Corporation has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## Item 4: Other Business Activities

---

Joshua Roberds is not involved in any outside business activities.

## Item 5: Additional Compensation

---

Fairhaven Financial is a licensed insurance agency in the State of Michigan. Should Clients purchase insurance products through Fairhaven Financial; commissions will be earned and paid by insurance companies to Fairhaven Financial. Insurance products are often recommended to help minimize Clients' exposure in identified risks. Clients are under no obligation to purchase insurance products or utilize the companies recommended by Fairhaven Financial. Clients are advised that the commissions received for insurance products purchased by Clients are in addition to any advisory fees Clients may have paid Fairhaven Financial. Therefore, Fairhaven Financial has a conflict of interest in having Clients purchase insurance products through Fairhaven Financial.

## Item 6: Supervision

---

Rachel C. Anderson, as Chief Compliance Officer of Fairhaven Financial, is responsible for supervision. She may be contacted at 517-332-2900.

## Item 7: Requirements for State Registered Advisers

---

A. Joshua S. Roberds has **NOT** been involved in any of the events listed below.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - a) an investment or an investment-related business or activity;
  - b) fraud, false statement(s), or omissions;
  - c) theft, embezzlement, or other wrongful taking of property;
  - d) bribery, forgery, counterfeiting, or extortion;
  - e) dishonest, unfair, or unethical practices.
2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
  - a) an investment or an investment-related business or activity;
  - b) fraud, false statement(s), or omissions;
  - c) theft, embezzlement, or other wrongful taking of property;
  - d) bribery, forgery, counterfeiting, or extortion;
  - e) dishonest, unfair, or unethical practices.

B. Joshua S. Roberds has **NOT** been the subject of a bankruptcy petition.