

# JOHN FRIEDMAN FINANCIAL'S SUPPLEMENT TO INFORMATION BROCHURE RE: JOHN FRIEDMAN



Some Useful Information,  
Supplementing John Friedman Financial's  
Information Brochure, to Help You Know More About Me,  
**John Friedman**

So You Can Make a Well-Informed Decision  
About Whether to Use (or Continue Using) the  
Financial Health Advisory Services I Provide



If you have any questions or need further information, or if I might otherwise be of assistance to you,  
then please call me at **415.642.3808** or write to me at [CETC@JohnFriedmanFinancial.com](mailto:CETC@JohnFriedmanFinancial.com).

You can also learn more at <http://JohnFriedmanFinancial.com> as well as at the  
AdviserInfo website, which is a very helpful website the SEC provides for the  
benefit of all consumers, at <http://www.AdviserInfo.sec.gov>.

201 Spear Street, 11th Floor, San Francisco CA 94105



**John Friedman Financial**  
The financial planner you've always wanted.

# Material Changes

Thank you for your interest in John Friedman Financial, and for your interest in learning more about me, John Friedman.

As part of the regulatory framework in which I provide services, I am required to keep this brochure up-to-date and, as part of that updating process, to include, on this first page after the title page of each of the updated versions of this document, a summary of the material changes I've made to this version of the document compared to the next-most-recent version of the document.

I published the next-most-recent version of this document on 3/28/2017, and this version differs from that version as follows:

**There are no material changes** in this version of the document compared to the next-most recent version.

The differences between this version and the next-most recent version have to do with stylistic refinements, as well as the addition of further content. The stylistic refinements stem primarily from slight re-workings of all the elements of the earlier version, while the additional content stems primarily from the continuously evolving nature of the concepts I use to describe my services and their place within the financial services sphere.

If you'd like to see any of the previous versions of this document or other of my regulatory filings, or any of my earlier materials discussing the industry in which I operate and how I fit into that industry, please let me know and it shall be so.

You can contact me at [CETC@JohnFriedmanFinancial.com](mailto:CETC@JohnFriedmanFinancial.com) and at 415.642.3808.

Next up is the Table of Contents, followed by an Introduction, in turn followed by the main piece.

Thanks again for your interest.

# Table of Contents

<b>Face Page</b> .....	<b>i</b>
<b>Material Changes</b> .....	<b>ii</b>
<b>Table of Contents</b> .....	<b>iii</b>
<b>Introduction</b> .....	<b>iv</b>
<b>Background and Experience</b> .....	<b>1</b>
<b>Education</b> .....	<b>1</b>
A.B. with Honors and Phi Beta Kappa from Grinnell College in 1979 .....	1
J.D. from The UCLA School of Law at UCLA in 1984 .....	1
M.B.A. from The Haas School of Business at UC Berkeley in 1995 .....	2
<b>Work Experience</b> .....	<b>3</b>
Lawyering from 1985 through 1999 .....	3
Business consulting from 1995 to 2001, and continuing through to the present with clients who own or manage a business .....	4
Consulting work at E*TRADE Securities, Inc., from 1999 to 2001 .....	5
Financial Planner and Investment Advisor Representative associated with Sagemark Consulting, a division of Lincoln Financial Group, and independent life agent from 2001 to 2003 .....	6
Financial Health Advisor and sole representative of John Friedman Financial (formerly known as JFRQ Consulting), from January 2004 to the present .....	7
CFP® Certification in 2012 .....	8
<b>Disciplinary Information</b> .....	<b>10</b>
<b>Other Business Activities</b> .....	<b>11</b>
<b>Additional Compensation</b> .....	<b>12</b>
<b>Supervision</b> .....	<b>12</b>
<b>Requirements for State-Registered Advisers</b> .....	<b>12</b>
<b>Summary</b> .....	<b>13</b>
<b>Addendum re: Certification as a CFP® Professional</b> .....	<b>14</b>

# **Introduction to this Supplement, and How It Relates to John Friedman Financial's Information Brochure**

This document supplements John Friedman Financial's Information Brochure; that brochure is about my business, while the document you have before you is all about me, the person.

More specifically, that other brochure is all about the business practices, business models, business procedures, etc., that I use as I go about providing services under the aegis of John Friedman Financial; it can be very useful to anyone wishing to make a good decision about whether to use, or continue using, the services I provide. If you need a copy of that Information Brochure, please contact me at 415.642.3808 or at [CETC@JohnFriedmanFinancial.com](mailto:CETC@JohnFriedmanFinancial.com) and it shall be so.

By contrast, this Supplement is all about me, the person. It discusses my background, qualifications, certification, etc., and can be very useful to anyone wanting to know more about me.

Many people will want to read this Supplement *after* they've read the Information Brochure; that way they can learn about the business, and then follow that up with learning about the person who designed the business and who runs it.

But for anyone who really just wants to know about me, the person, this Supplement is definitely the place to start.

This Supplement uses the brochure supplement template that many people providing financial services must use, not all of which is directly applicable to me. The first section, though, about my background and how I came to form John Friedman Financial, can be of considerable help to you if you are considering bringing me into your financial world, or, as the case might be, continuing having me in there with you.

Thank you for your interest.

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## Educational Background and Business Experience

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### Biography and Family

Hello. My name is John Friedman. I was born in 1956, in a suburb along the shores of Lake Michigan, north of Chicago.

My family is exceedingly stable compared to many. When my father died in October of 2013, my parents had been happily married for 65 years and when my mother died in January of 2017, my family had had roots in that same suburb for 69 years. Also happily, all of my parents' kids – my brother and my sister and me – are still married to the first person we married. We're all very fortunate.

### Education

Following high school, I received the following degrees and honors:

- A.B. with Honors and Phi Beta Kappa from Grinnell College, in May of 1979.

Grinnell is a small liberal arts college in the middle of Iowa. Grinnell was, and still is, all about learning to learn, critical thinking, and cross-disciplinary knowledge. It's where I first started becoming a generalist and a person interested in the connections between all things; it's where I became devoutly curious.

- J D. from The UCLA School of Law, University of California at Los Angeles, in May of 1984.

Being a Midwesterner, living in L.A. in the 80s was a difficult fit for me. Luckily, I managed to get a copyright-oriented internship in Manhattan – a place in which I very much felt at home – for a major chunk of my middle year of law school. In addition to copyright law, my law school studies focused on business planning, tax planning and estate planning – areas terrifically relevant to my work today.

## Education (cont.'ed)

- M.B.A. from The Haas School of Business, University of California, Berkeley, in May of 1995

My lawyering days were mostly fun, challenging and intellectually stimulating (I got lucky in this regard compared to many of my peers). There came a time, though, when I came to know that the part of law that I most enjoyed was the *doing-business* part, and not long after that I decided that the time was just-right for focusing more directly on the purely business side of the work I'd been doing, so I took a few years away from day-to-day working and headed back full-time to academia to get an MBA.

As fortune had it, my MBA-years perfectly coincided with the first surge of the commercialization of the Internet, so the focus of my studies was what we called back then *high tech entrepreneurship*. Those were exciting times.

I'll have more to say about my post-MBA experiences below, but for now I'll continue this part of this narrative by giving a brief overview of how being in business school during the first surge of the commercialization of the Internet led quite directly to the existence of John Friedman Financial, and to the way I pursue my work.

Like many graduating MBAs of the day, following business school I put my lot in with entrepreneurial endeavoring. Unlike many people at that time, though, I pursued a portfolio of entrepreneurial endeavors, and, among that portfolio, were a couple of publicly-traded, well-established but still highly entrepreneurial technology companies, one of which was E\*TRADE.

At that time, E\*TRADE, along with Schwab and a few others, were helping to make it possible for anyone with, say, \$500 of cash they wanted to smartly store for the long-run and an Internet connection to buy and sell stocks. In doing so, these companies were scaling-up – from absolutely nothing to very much something – what came to be known as the “democratization of investing” and the mainstreaming of self-directed investing. What followed hasn't been uniformly positive, but back then I believed, as I continue to believe to this day, that, overall, these were wonderful developments for people's financial health.

## Education (cont.'ed)

It was also during my time at E\*TRADE that I first became involved in, and realized that I had a natural affinity for, financial services generally, and financial planning specifically; it was also at about that time that I started formulating my ideas for a financial advisory service that, as a logical extension of the democratization wave E\*TRADE et al. were riding, focused on providing objective advice to clients, and forwent selling products and gathering assets.

## Work Experience

Three themes run consistently through my work experience. I'll take up the first two themes immediately below, and use them as a framework for talking about various parts of my work experience, and then I'll come back to the third theme after that.

First, I am a generalist. As I noted above when discussing my college years, I have long been interested in cross-disciplinary knowledge, and in the connections between all things. In an age of specialists, then, I choose to be a generalist simply because that's what has always interested me most, and because, happily for me, very few people appear willing to just-go-there these days (which leads to the ultimate generalists' question: if generalists are rare, does that mean that, in pragmatic terms, they are in fact specialists – that the generalists' specialty is generalism?).

Second, I have always made my living by providing advice to clients, with the objective of helping them make ever better decisions in a given part of their lives, initially by helping clients make ever better decisions within the legal layer of their lives, then moving on to helping clients make ever better decisions within the business layer of their lives, and now helping clients make ever better decisions within the financial layer of their lives, as follows:

**Lawyering from 1985 to late 1993, part-time lawyering from then through 1997, with a bit more lawyering in 1999 and fully stopping lawyering in late-1999.** I devoted the first part of my legal career to helping clients structure transactions (sometimes called, rather misleadingly I believe, *corporate law*) and, the latter part, to helping clients resolve disputes (called, quite accurately I believe, *litigation*, and which I personally came to mostly call *gladiation*). In addition to transactions law and litigation, I also helped clients formulate plans about what

## Work Experience (cont.'ed)

would happen if some of life's more unhappy events, such as death and disability, were visited upon them, and then helped them document those plans via wills, trusts and powers of attorney and the like.

It's important to note here that I am no longer licensed to practice law, in that my membership with the State Bar of California is on "inactive" status and has been for well more than a decade; it's also important to note that the last time I practiced this kind of law – called, mostly accurately I believe, *estate planning* – was more than twenty-five years ago.

As a generalist then as now, back in my lawyering days I went pretty much wherever the law work led, which meant that, in addition to transactions law, litigation and estate planning, I also helped clients be smart in the legal lives having to do with (to name a few examples that form couplets easily), copyright and trademark law, entertainment and gaming law, media and publishing law, bankruptcy and employment law, oil & gas and not-for-profit law, and even Big Sur and Big Island real estate law. All together, then, at one time or another I worked in most areas of the law having to do with dollars and cents, but never worked in those having to do with different, usually far more precious things, such as custody of a child or one's physical freedom, i.e. I never did family or criminal law.

- **Business consulting from 1995 to 2001, and continuing through to the present, helping clients who own or manage a business improve their overall financial health via business consulting services.** After getting my MBA from Berkeley in 1995, I went on to provide consulting services to various businesses, mostly technology-oriented, both large and small and both privately- and publicly-owned.

The services I provided to business clients back then focused on strategic planning and financial modeling, and therefore have much in common with the work I currently do with clients, because both sorts of work involve modeling a client's current financial existence and projecting it out into the future and then analyzing ways to optimize that financial existence going forward and determining which factors most impact overall results and are most likely to foster those optimizations.

## Work Experience (cont.'ed)

In addition, my consulting touched, at one time or another, on most parts of what's involved in doing business, including employment and staffing, accounting and taxes, pricing and product development, marketing and sales, ownership and succession, etc., etc., etc.

Given that (a) some of my current clients own businesses, and given that (b) all of those clients have much of their overall financial health riding on the financial health of their businesses (particularly in terms of the revenue side of each of those client's financial health, i.e., the money they make from their business), and given (c) my objective of helping people improve their overall financial health through pure financial advice wherever that objective might lead, it follows that I continue to provide, to a greater or lesser degree depending on the client, business consulting services to these business-owner clients.

In this regard my services differ markedly from those offered by traditional financial planners. Traditional financial planners by and large have neither the business model nor the skill-set to enable them to work with clients on the revenue side of their financial lives, while I do have those skills and often do help clients in that regard, both with respect to their business pursuits and with respect to their career goals.

- **Consulting work as Community Host and Facilitator of Strategic Initiatives, and then full-time employment as Community Director for E\*TRADE Securities, Inc., from 1999 to 2001.** My first direct involvement with the financial services industries came about when a friend asked me to do some business consulting to E\*TRADE which, back then, during the pre-bubble-burst Internet boom years of the late 1990s, was primarily an online stockbrokerage. This work began as part-time consulting and then grew into full-time employment. Initially my work there focused on helping build and steer E\*TRADE's online community, and then it grew to include helping with the strategic direction of E\*TRADE's domestic business.

It was during this time that I first obtained a license to be what is commonly called a "stockbroker" (though I never served in that capacity); it is also when I realized, in a new way, that over the years I had acquired a good deal of information about

## Work Experience (cont.'ed)

financial planning, and had done so, not with some broader goal in mind over and above improving my own overall financial health, but simply because that's the way I'm wired – because I had a deep curiosity about it, as well as an affinity for it.

March of 2000 saw the popping of the Internet bubble in the stock market, followed by a general diminishing of financial activity within the technology sector throughout the year, and then, in mid-2001, came the end of the division within E\*TRADE in which I worked, and, with it, my job at E\*TRADE.

- **Financial Planner and Investment Advisor Representative associated with Sagemark Consulting, a division of Lincoln Financial Group, and independent life agent from 2001 to 2003.** Having come to know while working at E\*TRADE that I had a fairly deep faculty for financial planning, I set out to learn about the financial planning industry. To that end, I interviewed with a lot of financial planning firms and started learning a lot about what, for me, was a whole new world: the world of selling.

One memorable episode that helped me understand this new-to-me world came about when a large financial services outfit asked me, like it asked all of its financial planning candidates, to take a multiple-choice test. I agreed to do so, and immediately upon taking the test found that the test was definitely not a test of my financial knowledge but, rather, of my personality; it measured the extent to which a person taking the test had a salesperson's personality which, as the test made clear, had little to do with analysis and thought, and everything to do with driving towards a goal, hard and fast, and with what some would deem to be an attitude largely devoid of consideration of consequences and largely free from empathy.

Another memorable learning episode came about when I saw the facility for a different large financial services outfit. This particular facility was the firm's cold-call/warm-call facility, in which all of its recently licensed financial planners sat in small cubicles as they tallied up a certain number of calls they had made to people who already did business with the large financial services outfit but not with its large financial planning division (a "warm call") and a certain number of calls to total strangers (a "cold call"). As it was explained to me, the business model of this

## Work Experience (cont.'ed)

financial planning outfit was to provide to a client, at little or no cost, advice and financial planning services, and to then *de-client* the client, turning the former "client" into a mere "customer," and to then sell the customer insurance and mutual funds which were, typically, a product favored or even manufactured by the large financial services outfit of which the financial planning outfit was part, and which had a reputation among knowledgeable people as being sub-par products.

That transformation — from client into mere customer —is quite common, though widely unknown and often shocking to people when they first hear about it (if you would like to know more about this somewhat technical area, please let me know; I'll be happy to help you know all about it). It most assuredly did not sit well with me. So I knew that I wanted to go with a financial planning firm that emphasized financial planning as much as possible, and deemphasized sales as much as possible.

Of all the financial planning outfits with which I interviewed, Sagemark Consulting seemed closest to that description, so in the fall of 2001, a few weeks after 9/11, I went to work there. There came a time, though, when it became clear that my desire to focus on pure advice and not do the selling part was also not a fit there, so I decided to form my own financial planning firm, where the focus would be on pure advice. As described further below, this is how John Friedman Financial came to be.

- **Financial Health Advisor and sole representative of John Friedman Financial (formerly known as *JFRQ Consulting*), from January 2004 to the present.** Since then I have been providing financial health advice under the aegis of John Friedman Financial (known from January of 2004 through September of 2012 as *JFRQ Consulting*).

John Friedman Financial's Information Brochure can provide you with a good deal of information about the business that I've built over the years, all aimed at helping people improve their overall financial health through pure financial advice, wherever that objective leads. No sales. No asset-gathering. Just pure financial advice. If you have not seen the Information Brochure, please do ask me for it and I'll send it to you. You can reach me at [CETC@JohnFriedmanFinancial.com](mailto:CETC@JohnFriedmanFinancial.com) or at 415.642.3808.

## Work Experience (cont.'ed)

Also, if you have any questions about my background, or about how the services I provide differ from those that traditional financial planners provide, or about anything else for that matter, then please do let me know. I'm happy to discuss my background with you, and the way the financial industries in general operate, and, in particular, how traditional financial planners operate and how, in my opinion, the pure financial advice/no sales/no asset-gathering approach I use, together with all the techniques and methods and materials I've developed over the years, serves a broad variety of clients, as well as a broad variety of client needs, far better than can the conventional financial planning model, which depends quite a bit on sales and asset-gathering.

- **CFP® Certification in 2012.** In the fall of 2011, I sat for the CFP® exam for the first time and passed it. In keeping with my generalist approach, I received passing marks in each of the seven major content areas on the exam (i.e. general principals of financial planning, insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning and estate planning) – a result that not all those who pass the exam can claim.

After fulfilling some documentation requirements, regarding, among other things, my work experience, in March of 2012 I completed the CFP® Certification process. As a result, I can now call myself a CERTIFIED FINANCIAL PLANNER™ professional, and can use the following mark in the following way, accompanied by the boilerplate down in the footer for this page:

**John Friedman, CFP®**

To learn more about this status, including its continuing education requirements, its code of ethics and the like, please see the Addendum.

A third theme running throughout my work experience, and one that you may have noticed in the narrative above, is that I have always operated at least somewhat independent of – and often *very* independent of – my mainstream peers, and usually in an entrepreneurial

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Certified Financial Planner Board of Standards Inc. owns the certification marks CFP®, CERTIFIED FINANCIAL PLANNER™ and federally registered CFP (with flame design) in the U.S., which it awards to individuals who successfully complete CFP Board's initial and ongoing certification requirements.

## Work Experience (cont.'ed)

vein. The most obvious manifestation of this theme is that, other than a summer job during my MBA days in the mid-90s, and a brief stint as a statutory employee (a rare nether-like status, somewhat like a combination of employment and self-employment) at Sagemark Consulting in the early mid-2000s, I've been self-employed since 1989, when I first set up my own law office. Yes, that length of time is *decades*.

As a result of this independence, I've devoted countless hours over many decades designing my own business practices and my own ways of doing things, free to follow the path I found best, which meant I was neither a conventional lawyer nor a conventional business consultant, and am not now a conventional financial planner.

I have much to say about this topic in the Information Brochure. Please ask me for it if you have not seen it. Suffice for now to say here that John Friedman Financial is very much a creation of all that has come before it in my work life, founded upon lessons I've learned about how to truly serve clients well and a desire to be in a state of continuous improvement, un-hindered by legacy systems or business models that necessarily come bundled-in when working for others, some or many of which might have outlived their value as seen from the perspective of the client, and some or many of which might have also outlived their value from the perspective of the employer and employee as well, but remain in place due to inertia of rest and the inherent difficulty embedded deep within the process of change itself.

From the client's perspective this in turn means that they will not be doing what I view as the outdated version of financial planning, by which I mean a highly *non*-interactive process that tends to be investing-centric because it has its roots firmly planted in the stockbrokerage and money management industries, and which generates a lengthy, physically attractive plan that many clients never really read or spend any time understanding because they were not really all that involved in its actual creation and because the plan does not *speak* to them in a way they can readily understand.

Instead, clients of John Friedman Financial partake in a highly interactive, *experiential* process that tends to be about whatever they want it to be about (with some help from me if I think they're missing something important), and which generates a plan that the client has been very much a part of creating and therefore most assuredly does speak to them, loud and clear and in a voice they totally get.

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## Disciplinary Information

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I have no disciplinary events to report.

More specifically, I have not been the subject of any legal or disciplinary events that are material to your decision about whether to hire me to help you improve your overall financial health.

More specifically still, and unfortunately quite technically, but in a way that can give you a good idea of what this part of the brochure supplement template is all about, there was and is no criminal or civil action in a domestic, foreign or military court in which I:

- Was convicted of, or pled guilty or nolo contendere to, any felony or misdemeanor involving investments or an investment-related business,
- Am the named subject of a pending criminal proceeding involving an investment-related business, or fraud, false statements, omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting or extortion, or a conspiracy to commit any of those offenses.
- Am the named subject of a pending criminal proceeding involving an investment-related business, or fraud, false statements, omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting or extortion or a conspiracy to commit any of those offenses.
- Was found to have been involved in a violation of an investment-related statute or regulation.
- Was the subject of any order, judgment or decree permanently or temporarily enjoining or otherwise limiting him from engaging in any investment-related activity, or from violating any investment-related statute, rule or order.

Further, there was and is no administrative proceeding before any regulatory agency in which I:

- Was found to have caused an investment-related business to lose its authorization to do business.

- Was found to have been involved in a violation of an investing-related statute or regulation and was the subject of an order by the agency or authority limiting John’s investment-related activities, or imposing a civil penalty of more than \$2,500 on me.

Finally, there was and is no self-regulatory organization proceeding in which I:

- Was found to have caused an investment-related business to lose its authorization to do business
- Was found to have been involved in a violation of the self-regulatory organizations rules and was barred or suspended from membership in the self-regulatory organization or from association with its members, or was expelled from membership or otherwise significantly limited from investment related activities or fined more than \$2,500.

If you would like to know more about what all that means, then please do let John know and he will help you understand.

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## Other Business Activities

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I provide financial health advisory services under the aegis of John Friedman Financial; those services are limited to the financial health advisory services described in this Brochure Supplement and in John Friedman Financial’s Information Brochure.

With respect to the specific queries set out in the brochure supplement template — and please don’t worry if you don’t understand anything on this list means because most people do not — I am not (a) a futures commission merchant, (b) a commodity pool operator, (c) a commodity trading advisor or (d) an associated person of any of those entities.

As noted above, in the past I was affiliated, via E\*TRADE and then via Sagemark Consulting, with a stockbrokerage (technically known as a *broker/dealer* or, more informationally, as a *B/D*), pursuant to which I could have provided the services provided by stockbrokers (technically known as *registered representatives*). Throughout those times, though, I did not

do so, and today I am not, and John Friedman Financial is not, affiliated with any broker/dealer.

In the past, I was also licensed to sell life insurance, health insurance, disability insurance, long term care insurance and annuities. I am no longer licensed in this way, and I do not sell any of those products.

In the 80s and 90s I was a practicing lawyer and active member of the State Bar of California; I remain a member to this day, but as an inactive member. I also retain my lawyer brain (they say it is impossible to lose it . . . ) but I do not provide legal services of any kind.

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### **Additional Compensation**

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All of the services I provide for compensation I do through John Friedman Financial.

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### **Supervision**

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John Friedman Financial has a single representative – me, John Friedman – so I supervise myself.

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### **Requirements for State-Registered Advsers**

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I have no disclosures to make pursuant to this part of the brochure supplement template.

More specifically, and unfortunately more technically, I have not been subject to an award or otherwise found liable in an arbitration claim alleging damages in excess of \$2,500, or an award or otherwise found liable in a civil, self-regulatory organization or administrative process, involving:

- An investment or invested-related business or activity,
- Fraud, false statements or omissions,
- Theft, embezzlement, or other wrongful taking of property,
- Dishonest, unfair or unethical practices.

Additionally, I have not been the subject of a bankruptcy petition.

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## Summary

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Under the aegis of John Friedman Financial, I help people improve their overall financial, pretty much wherever that task leads, and solely by providing them with advice. I do not sell any financial products in any capacity, and the only services I provide are the financial health advisory services described in the first sentence of this paragraph.

In this way, if you retain, or already have retained, me to advise you on how you might go about improving your overall financial health, while doing so I will be serving one person and one person only: you.

A lot of folks, when they're first contemplating talking with a financial planner, want just that: a go-to person who they know is on their side, and who can help them be smart in their financial world – smart about how to take care of things in their financial lives, smart about how to be as free from stress as it's possible to be in what is, for many folks, a rather stressful part of their lives, smart about how to decrease the odds of being victimized by less than totally honest financial services providers, smart about how to accomplish the financial goals they *need* to accomplish and those they *wish* to accomplish, etc., etc., etc. (followed by many more *etc.'s* because a financial life is a very multifaceted thing). In short, they want a direct relationship with a trusted advisor who is on their side and never gives them reason to doubt that that's the case.

And that's why I call myself a *financial health advisor* and that's why I sometimes characterize myself as:

**The financial planner you've always wanted.**

**I** hope you found this Supplement helpful, and hope you will honor me with any questions or follow-ups you wish me to address for you, or topics you'd like to discuss with me. And I also welcome all comments, about my business, about this supplement, or, for that matter, about anything else whatsoever.

Thank you for your consideration.



## **Addendum re: Certification as a CFP® Professional**

To help you better understand what my being certified as a CFP® professional means, down below is language promulgated by the Certified Financial Planner Board of Standards, Inc. (the certifying entity), describing what the designation means. See <http://is.gd/O1KXxl>.

I leave the language un-altered here, except in a single instance in the sentence describing the examination requirement, to describe the format of the examination when I took it, which, since then, has changed considerably.

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

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

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

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination –Pass the comprehensive CFP® Certification Examination. [In the fall of 2011, when I took the examination, it was] administered in 10 hours over a two-day period, includ[ing] case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

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

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

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

Under a concept the CFP Board calls “challenge status,” my status as a former lawyer, licensed in California and in good standing but with my license on “inactive” status, meant that I did not have to meet the education requirement in the specific manner described above, i.e., I did not have to “[c]omplete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services.”

Currently, people with the following degrees, licenses and credentials can also pursue the challenge status route to the education requirement:

- Ph.D. in business or economics
- Doctor of Business Administration
- Licensed attorney - inactive license acceptable
- Licensed Certified Public Accountant (CPA) - inactive license acceptable
- Chartered Financial Consultant (ChFC)
- Chartered Life Underwriter (CLU)
- Chartered Financial Analyst (CFA®)
- CFP certification from the Financial Planning Standards Board Ltd. (FPSB) Affiliate located in your territory of residence outside the U.S.

