**Receipt Page**

# Jersey Shore Financial Advisors LLC


The Atrium Building
55 Gilbert Street North, Suite 3103
Tinton Falls, NJ 07724

Telephone: 732-229-7489
www.jerseyshorefa.com
www.myfamilyfiduciary.com


**March 30, 2019**

This Brochure provides information about the qualifications and business practices of **Jersey Shore Financial Advisors LLC**. If you have any questions about the contents of this Brochure, please contact us at 732-229-7489 or tduffy@myfamilyfiduciary.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

**Jersey Shore Financial Advisors LLC** is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about **Jersey Shore Financial Advisors LLC** also is available on the SEC's website at www.adviserinfo.sec.gov.

Client name(s): ______________________________________________

Jersey Shore Financial Advisors, LLC

Form ADV Part II available via Internet website www.jerseyshorefa.com

Client signature (1) ___________________________________________

Client signature (2) ___________________________________________

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Item 1. Cover Page

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## Item 2. Material Changes

There are no material changes to business practices of Jersey Shore Financial Advisors since the last update of ADV.

End of material changes.

## Item 3. Table of Contents

## Contents

## Item 4. Advisory Business

Jersey Shore Financial Advisors LLC (JSFA) is a New Jersey Limited Liability Company formed in April 2007. JSFA provides fee-only financial planning and investment management services for widows/widowers, professionals, executives and other high income client types. Thomas J Duffy is principal (100%) owner of the firm has been in the financial services industry since 1994.

**Financial Planning Services**: JSFA provides a broad range of financial planning and consulting services (including non-investment related matters).

JSFA provides financial planning and consultation services (e.g., review of goals and objectives, analysis and recommendations for cash flow planning, asset allocation/investment planning, income tax planning, insurance planning, estate planning, retirement planning, education planning, real estate/mortgage planning, etc.).

**Investment Supervision**

JSFA provides discretionary portfolio management services to manage client investment accounts. Our investment advice is intended to meet our clients' investment objectives. If you retain JSFA for portfolio management services, we will meet with you to determine your investment objectives, risk tolerance, and other relevant information at the beginning of our advisory relationship. We will use the information we gather to develop a strategy that enables our firm to give you continuous and focused investment advice and/or to make investments on your behalf.

As part of our portfolio management services, we will create an investment portfolio for you according to your risk tolerance and investing objectives. The portfolio will be based upon one of our 5 proprietary investment model portfolios. We will evaluate the need to rebalance the portfolio back to our base allocation in June and November of each year.

If you participate in our discretionary portfolio management services, we require you to grant JSFA discretionary authority to manage your account. Discretionary authorization will allow JSFA to determine the specific securities, and the amount of securities, to be purchased or sold for your account and the transaction costs (commissions or fees) to be paid to brokerage firms without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with JSFA and the appropriate trading authorization forms.

You will receive trade confirmation(s) from the custodian indicating transactions amounts and trading costs/fees.

Prior to investing on your behalf, JSFA will need to obtain certain information from you to determine your financial situation and investment objectives. You will be responsible for notifying JSFA of any updates regarding your financial situation, risk tolerance, or investment objective; however JSFA will contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance, or investment objectives. We are always reasonably available to consult with you relative to the status of your account.

JSFA will bill client for investment advisory and/or supervision subject to written contract between JSFA and client. This fee is separate and distinct from financial planning fees.

JSFA cannot warranty the accuracy or validity of data provided by third parties nor will JSFA take responsibility for investment performance.

JSFA's investment supervision fees and/or financial planning fees are subject to adjustment, waiver and/or other modification to accommodate a referral or family member of a client, family member of JSFA, as a courtesy to a professional or in certain pro bono casework and is at the sole discretion of JSFA.

Clients are entitled to refund of unearned advisory fees if an advisory contract is terminated prior to the end of billing period subject to the following formula: Amount billed in advance divided by number of days on the billing period, multiplied by days remaining in billing cycle after effective date of written termination.

JSFA does not impose a minimum amount of investment assets to become a client, although total investment accounts less than $25,000 will not necessarily include all investment allocations as specified by JSFA model portfolio. JSFA will attempt to create a diversified portfolio across portfolio types where appropriate to achieve model portfolio objectives.

As of March 26, 2019 JSFA had $14,783,344. under direct discretionary investment management.

As of March 26, 2019 JSFA had $123,515. under non-discretionary supervision of various Third Party Asset Managers.

## Item 5. Fees and Compensation

We view net worth as a proxy for complexity. Net worth includes all assets over which you have control or derive a benefit from including but not limited to real estate, retirement, business interests, trusts, use assets etc.

Financial planning fees start at a minimum of $4,500

Investment management clients are charged on a percentage of assets under management basis. That fee schedule is as follows:

| | Assets under management | | | Quarterly percentage | Annual percentage |
|---|---|---|---|---|---|
| From | $0.00 | Up to | $500,000 | 0.2250% | 0.90% |
| Next | $500,000 | Up to | $1,000,000 | 0.1750% | 0.70% |
| Next | $2,000,000 | Up to | $3,000,000 | 0.1250% | 0.50% |
| Next | $2,000,000 | Up to | $5,000,000 | 0.0750% | 0.30% |
| Over | $5,000,000 | | | 0.0050% | 0.20% |

Certain clients are using a flat fee investment management agreement.

Flat fee $500 per account.

JSFA does not intend to extend usage of this flat fee per account fee schedule to additional clients.

The above fee schedule(s) do not include transactions costs charged by the custodian nor fund management expenses charged/collected by the fund manager. JSFA does not receive any part of transaction charges or fees collected by custodians or fund managers.

The specific manner in which fees are charged by JSFA is established in a client's written agreement with JSFA. JSFA will bill its fees on a quarterly basis. Clients are billed in advance each calendar quarter. Client explicitly authorizes JSFA to directly debit fees from client accounts. Management fees shall be calculated based on the account(s) value as of the last day of the prior calendar quarter. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be refunded within 120 business days, and any earned, unpaid fees will be due and payable.

JSFA will calculate the fee as described above, and provide an invoice to the custodian. The custodian will deduct the invoiced fee from client account(s.)

JSFA's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Custodians may also charge a separate fee for maintaining an Individual Retirement Account. Such charges, fees and commissions are exclusive of and in addition to JSFA's fee, and JSFA shall not receive any portion of these commissions, fees, and/or costs.

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

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

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

## Item 7. Types of Clients

JSFA provides investment supervision primarily for individual accounts and Individual Retirement Accounts.

JSFA reserves the right to decline to accept a client engagement if in JSFA's opinion a) the costs to the client will outweigh any benefit to client and/or b) for any other reason. JSFA also reserves the right to keep reasons for declining an engagement private.

JSFA may offer to complete planning activities on a reduced fee or pro bono basis depending on the facts and circumstances of the individual case.

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

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

JSFA and Client will enter into a Client Services Agreement. In establishing the Account, the Client will be asked to complete a questionnaire to enable the Client and JSFA to identify more clearly the Client's risk tolerance and rate of return objectives in the context of the Platform, and will provide information concerning the Client's investment experience, anticipated need for liquidity, potential timing of the need for retirement funds, and other investment needs and parameters. This information will assist the Client and the JSFA in selecting which of the Risk/Return Profiles, is most closely aligned with the Client's investment goals.

Risk/Return Profiles

One of the fundamental elements of the Platform is establishing the Client's appropriate Risk/Return Profile. These Profiles range from most conservative (lowest estimated risk and lowest potential return) to most aggressive (highest estimated risk and highest potential return).

The investment objectives for each of the six Risk/Return Profiles are listed below:

• Conservative Global Income

> The profile is designed for an investor who wants to focus on preservation of capital while generating income as the primary goal and wishes to avoid downside risk.

• Global Income w/Growth

> The profile is designed for an investor who seeks to preserve capital but wishes to earn a return sufficient to preserve purchasing power.

• Global Growth & Income

The profile is designed for an investor who seeks to balance downside risks to capital and capital appreciation.

• Moderate Global Growth

The profile is designed for an investor who seeks enhanced capital appreciation and is willing to accept greater risk of downside loss and volatility of returns.

• Aggressive Global Growth

The profile is designed for an investor who seeks significant capital appreciation and is tolerant of the risk of downside loss and volatility of returns.

The percentage allocation to equity securities targeted for each Risk/Return Profile increases for each profile from Conservative Global Income, which would include the lowest target allocation of equity securities, through Aggressive Global Growth, which would include the highest target allocation of equity securities.

ASSET ALLOCATION APPROACHES

The next element of establishing the Client's investment objective is to identify the Asset Allocation Approach. Some Investment Solutions, i.e. Individually Managed Accounts and Manager Select Accounts, are not categorized into any one of these approaches. The following four Asset Allocation Approaches are available.

❖ Strategic Asset Allocation

- ➢ Seeks to optimize risk adjusted return while adhering to a base policy mix.
- ➢ Relative market exposure will be primary determinant of return results.

The objective is to provide Clients with a variety of asset allocation methods for accomplishing the Client's investment objectives.

The Client is encouraged to consult with the JSFA at any time concerning the portfolio, and especially when there is a change to Client financial or other pertinent circumstances.

Clients are provided with periodic transaction and/or custodial reports from the custodian and JSFA will make available on-demand reports for Client accounts. The periodic custodial reports include a listing of all investments in the Client's account, their current valuation, and a listing of all transactions occurring during the period.

## Item 9. Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of JSFA or the integrity of JSFA's management.

JSFA has no disclosures required under this Item.

## Item 10. Other Financial Industry Activities and Affiliations

JSFA is not registered as a securities broker-dealer or a futures commission merchant, commodity pool operator or commodity trading advisor.

Participation or Interest in Client Transactions: JSFA has implemented policy prohibiting the use of insider information for securities trading by the client or employees of the JSFA. This is commonly known as insider trading and is further prohibited by security industry regulations and punishable by law.

## Item 11. Code of Ethics, Participation or interest in client transactions and personal trading

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

JSFA will not recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which JSFA, its affiliates and/or clients, directly or indirectly, have a position of interest. JSFA's employees and persons associated with JSFA are required to follow JSFA's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of JSFA and its affiliates may not trade for their own accounts in securities which are recommended to and/or purchased for JSFA's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of JSFA will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between JSFA and its clients.

JSFA's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Thomas J Duffy.

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

## Item 12. Brokerage Practices

JSFA will recommend clients utilize a major broker/dealer firms to act as custodian of client funds.

JSFA receives access to software and/or research (proprietary and non-proprietary) through the use of the custodian. These benefits could be interpreted as “soft dollar” benefits to JSFA. These soft dollar benefits are not proportionally allocated to any accounts that may generate different amounts of the soft dollar benefits. These benefits do not influence security selection, asset allocation or any other influence on client portfolios.

JSFA can make no warranty as to the trade execution efficiency, cost, speed etc of the broker-dealer custodian and relies on the established reputation in the industry of said custodians.

## Item 13. Review of Accounts

As part of an ongoing financial planning engagement, JSFA will review client investment accounts on a periodic basis to measure continued suitability, manager proficiency, adherence to investment objective, etc.

Clients will receive account position and activity statements directly from broker/dealer custodian no less frequently than quarterly, and will have on-line access to access performance reporting information.

## Item 14. Client Referrals and Other Compensation

JSFA does not receive economic benefits from non-clients for benefits provided to clients. JSFA is a fee-only financial planner.

## Item 15. Custody

JSFA does not hold custody of client assets. Clients are required to utilize a third party custodian to maintain accounts.

Clients will receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client’s investment assets. JSFA urges you to carefully review such statements for accuracy.

## Item 16. Investment Discretion

JSFA does take investment discretion over client funds, investment assets or other assets via limited power of attorney.
Limited power of attorney grants authority to advisor to:

- ✓ Send trading instructions to the custodian;
- ✓ Send billing/invoicing information to custodian;
- ✓ Instruct custodian to remit advisor fees to advisor subject to invoice above;
- ✓ Instruct custodian to execute trades in client accounts without prior client input or notice;
- ✓ Instruct custodian to send client funds to the client at address of record or other as instructed by client.

## Item 17. Voting Client Securities

As a matter of firm policy and practice, JSFA does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Upon request JSFA will consult with clients regarding the clients' voting of proxies.

## Item 18. Financial Information

Jersey Shore Financial Advisors LLC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

## Item 19. Requirements for State-Registered Advisers

The President of Jersey Shore Financial Advisors LLC is Thomas J Duffy, CFP®.

Tom, born in 1965, is a lifelong New Jersey resident living in Eastern Monmouth County with his wife, Kristi and daughter Julia. Tom is active in the New Jersey Chapter of the Financial Planning Association (FPANJ), is a member of the National Association of Personal Financial Advisors (NAPFA), is a founding member of the Shore Regional Educational Foundation.

Tom's educational background includes studying Business Administration at Monmouth University in West Long Branch, receiving a Bachelor of Science degree in Management Science from Kean University. Completing the Certified Financial Planner™ practitioner educational requirements through the College for Financial Planning and receiving a Master in Business Administration from Monmouth University. Tom has also earned the Chartered Retirement Plan Consultant™ designation.

Tom has extensive experience operating a client oriented financial services firm serving as financial planning manager and operations manager for Wealth Builders, Inc., a local financial planning & investment management firm where he was an employee and shareholder from 1997 through early 2007

**CFP® - Certified Financial Planner**
Issued by: Certified Financial Planner Board of Standards, Inc.
Prerequisites/Experience Required: Candidate must meet the following requirements:

A bachelor's degree (or higher) from an accredited college or university, and
3 years of full-time personal financial planning experience

Educational Requirements: Candidate must complete a CFP-board registered program, or hold one of the following:

- CPA
- ChFC
- Chartered Life Underwriter (CLU)
- CFA
- Ph.D. in business or economics
- Doctor of Business Administration
- Attorney's License

Examination Type: CFP Certification Examination
Continuing Education/Experience Requirements: 30 hours every 2-years

# INVESTOR PROTECTION INFORMATION FORM

Pursuant to N.J.A.C. 13:47A-2.14

The New Jersey Bureau of Securities ("Bureau"), an arm of the Office of the New Jersey Attorney General, is charged with protecting investors from investment fraud, and regulating the securities industry in New Jersey. In addition to bringing investigative and enforcement actions against firms or individuals who violate the New Jersey Uniform Securities Law and regulations thereunder, the Bureau registers securities offered or sold in New Jersey and oversees the firms and individuals selling securities or providing investment advice to or from New Jersey.

Investors can contact the Bureau to research the professional background of current and former registered broker-dealers, investment advisers, agents, and investment adviser representatives.

**To research a financial professional, contact the Bureau via phone at 1-866- I-Invest (within New Jersey) or at 973-504-3600 (both within and outside New Jersey) or via email at njbos@lps.state.nj.us.**

Investors can also file complaints with the Bureau against individuals and firms selling securities or offering investment advice, as well as companies issuing securities investments directly.

**To file a complaint or learn more about the Bureau, visit the Bureau's website at www.NJSecurities.gov.**