

Registered Investment Advisor

2169 Polo Grounds Road
Charlottesville, VA 22911
703-727-2717 (mobile)
www.NicoletteFinancial.com
e-mail: alan@NicoletteFinancial.com

Statement of Disclosure and Information

Form ADV: Part IIA Brochure
Uniform Application for Investment Advisor Registration

Item 1: Cover Page

Nicolette Financial Advisors LLC
Registered Investment Advisor
2169 Polo Grounds Road
Charlottesville, VA 22911
703-727-2717 (mobile)
www.NicoletteFinancial.com
alan@NicoletteFinancial.com

AND
5018 N. Virginia Dare Trail
Kitty Hawk, NC 27949

Nicolette Financial is an LLC formed under the laws of the Commonwealth of Virginia and is a duly **Registered Investment Advisor**.

Alan A Nicolette, CFP® | EA | Owner
Investment Advisor Representative

Nicolette Financial does not have any other relationships, affiliations, or activities within the financial industry.

Form ADV Part II covers the practices of Nicolette Financial Advisors LLC, hereafter referred to in this document as Nicolette Financial.

Date of Brochure: February 21, 2024

This brochure provides information about the qualifications and business practices of Nicolette Financial Advisors LLC. If you have any questions about the contents of this brochure, please contact Alan Nicolette at 703-727-2717 and/or via e-mail at alan@NicoletteFinancial.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.

Registration does not imply a certain level of skill or training.

Additional information about Nicolette Financial Advisors LLC is available on the internet at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD for Nicolette Financial Advisors LLC is 146429.

Item2: Material Changes

Item 4 - Investment Advisory Services

Nicolette Financial provides fee-only investment advisory services on a non-discretionary basis only. Assets managed as of 12/31/2023 totaled \$19,238,336.40.

Item 3: Table of Contents

- Item 1 – Cover Page
- Item 2 – Material Changes
- Item 3 – Table of Contents
- Item 4 - Advisory Business
- Item 5 - Fees and Compensation
- Item 6 - *Performance-Based Fees* and Side-By-Side Management
- Item 7 - Types of Clients
- Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss
- Item 9 - Disciplinary Information
- Item 10 - Other Financial Activities and Affiliations
- Item 11 - Code of Ethics, Participation of Interest in Client Transactions & Personal Trading
- Item 12 - Brokerage Practices
- Item 13 - Review of Accounts
- Item 14 - Client Referrals and Other Compensation
- Item 15 - Custody
- Item 16 - Investment Discretion
- Item 17 - Voting Client Securities
- Item 18 - Financial Information
- Item 19 - Requirements for State-Registered Advisers

Item 4: Advisory Business

Nicolette Financial Advisors LLC (herein referred to as “Nicolette Financial”) offers personalized financial planning, consulting, and investment advisory services to individuals, trusts, estates, not for profit organizations, corporations, and other business entities.

Nicolette Financial is an LLC formed under the laws of the Commonwealth of Virginia and is a duly *Registered Investment Advisor* in the Commonwealth of Virginia under the Investment Advisors Act of 1940. Nicolette Financial Advisors LLC may transact business or render personalized investment advice in those states where it is registered/filed notice or otherwise excluded or exempt from registration requirements.

Nicolette Financial has been in business since 2008. The principal owner is Alan A. Nicolette.

Financial Planning and Consulting Services

These services focus on helping clients understand and manage their financial affairs. The process is an analytical approach that recognizes the inter-relationship between all the areas outlined below. Services are customized to each client depending on their needs.

- Assisting the client identify and set goals that can be measured and realized
- Analyzing cash flow and accumulation goals
- Income tax planning
- Insurance planning
- Asset allocation based on client risk tolerance, suitability, and time horizon
- Investment planning and advisory services
- Estate preservation and distribution strategy
- Evaluating charitable planning options
- Retirement planning
- Small business planning and succession management

Engagements with clients will begin with the development of a financial plan to determine where investment advisory services fit in the implementation of the plan. The initial financial plan is separate from any advisory services or fees and may require or include services from qualified third parties. Recommendations are customized to each client's situation; therefore, the advice provided will vary from client to client.

Investment Advisory Services

Nicolette Financial provides fee-only investment advisory services on a **non-discretionary basis** only. Assets managed as of 12/31/2023 totaled \$19,238,336.40. The primary approach is to use a tactical allocation strategy aimed at reducing risk and increasing performance.

Nicolette Financial will make recommendations regarding an investment approach that is based on, but not limited to, the client's financial needs, investment goals, time horizon, tax objectives, and tolerance towards risk. Selection of investment products may include but is not limited to exchange listed securities, municipal securities, mutual funds, and US government securities. Clients may impose restrictions on investing in certain securities.

Nicolette Financial will manage the investments consistent with each client's investment strategy as outlined in the **Investment Policy Statement**. Nicolette Financial will not take custody of client assets at any time. Nicolette Financial will be restricted to the powers outlined as "Limited Agent Authority" as specified in the Vanguard Agent Authorization Form. Nicolette Financial will obtain approval from the client prior to execution of any trade.

Other Services - Tax Preparation & Filing Service

Nicolette Financial provides tax preparation services for business, non-profit and individual clients. Knowledge of federal and state tax laws allows Nicolette Financial to assist clients in complying with all necessary tax requirements as well as in identifying opportunities that minimize tax burdens.

- Your tax returns will be checked and rechecked by professional computer software identifying potential problems the IRS may look at more closely and reviewing the math to limit IRS contacts.
- Your tax return can be filed electronically so you will get a refund quicker.
- You will be provided with potential deductions to limit your tax liability for next year. In addition, you will receive a sheet of commonly overlooked deductions to limit the following year's tax liability.

IRS Circular 230

United States Department of Treasury Regulation Circular 230 requires that Nicolette Financial notify you that this information is not intended to be tax or legal advice. This information cannot be used by any taxpayer for the purpose of avoiding tax penalties that may be imposed on the taxpayer. This information is being used to support the promotion or marketing of the planning strategies discussed herein. Nicolette Financial does not provide legal or tax advice to clients. You should review your particular circumstances with your independent legal and tax advisors.

Circular 230 is applicable to attorneys, Certified Public Accountants (CPA), **Enrolled Agents (EA)** and other tax professionals who practice before the IRS. The revisions to Circular 230 provide standards of practice for written advice that reflect current best practices and are intended to restore and maintain public confidence in tax professionals. These revisions ensure that tax professionals do not provide inadequate advice and increase transparency by requiring tax professionals to make disclosures if the advice is incomplete.

Item 5: Fees and Compensation

Financial Planning and Consulting Services

Clients will be billed at a rate of \$150 - \$200 per hour depending upon the complexity of the services requested, plus pay any costs incurred on the client's behalf. The client will have the option to pay a fixed fee for the Financial Plan, which will be bound to the scope of the Financial Planning Agreement. The fee rate is negotiable based on the particular complexity of the services requested.

The fee for the initial financial plan will vary based on the complexity of the plan and the time required to complete the plan. Nicolette Financial offers general consulting and/or plans in a modular or project-based format. The Financial Planning Agreement will specify the specific portions of services that will be included in the financial plan. Advance payment will never exceed \$500 for work that will not be completed within 6 months. The remaining fee will be billed at the completion of the project.

The client may terminate the agreement within five (5) days of the date of acceptance without penalty to the client. After the five-day period, either party may terminate the agreement by providing written notice to the other party. If the client decides to terminate his or her relationship with Nicolette Financial, the client will incur a pro-rata charge for bona fide financial planning and/or consulting services rendered prior to such termination. In the event that there are any prepaid, unearned fees, Nicolette Financial will promptly refund a pro-rata share to the client.

Following the completion of the financial plan, the client will decide if is appropriate to continue the relationship and engage Nicolette Financial to oversee the implementation and monitor the plan recommendations based on a fixed-fee. As a part of the implementation process, Nicolette Financial may work with other advisors, accountants, attorneys, asset managers, third party administrators, and insurance agents. The client has final approval on the implementation providers. In all cases, the client will be responsible for any cost associated with other professional services, and will compensate them directly, unless otherwise mutually agreed.

Investment Advisory Services

Upon delivery and acceptance of the financial planning recommendation, the client may engage Nicolette Financial on an ongoing basis to implement and track the performance of the client's investment portfolio against the investment objectives, market accepted benchmark(s), and the overall economic environment. A formal Portfolio Management Agreement (PM Agreement) will be signed by all parties.

Nicolette Financial charges a fixed quarterly fee based on the total value of Assets Under Management (AUM). The quarterly fee will be a maximum of 0.4% of AUM for AUM greater than \$150,000. For example, if AUM is \$500,000, 0.4% fee equates to \$2,000 annually. On a quarterly basis, the fee is \$500. The quarterly fee remains fixed for a period of 1 to 2 years. Each client PM Agreement will document the quarterly fee and the term of the agreement. At the completion of each PM Agreement term, the fee is recalculated based on the AUM value as of 12/31. The new fee will not exceed the maximum of 0.4% of AUM if AUM is \$150,000 or more. A new PM Agreement will be provided to the client showing the new quarterly fee and term of the Agreement. Upon acceptance by the client, all parties will sign the new PM Agreement.

Nicolette Financial does not have a minimum AUM to offer advisory services. If AUM is under \$150,000, Nicolette Financial will charge a minimum Investment Advisory fee of \$150 per quarter. For example, if AUM is \$100,000, the annual fee would be \$600 (\$150 per quarter x 4). This would equate to a fee of 0.6% of AUM.

Investment advisory services fees are billed directly to the client by Nicolette Financial and payable to Nicolette Financial by the client. Fees are not deducted from any client investment accounts. All fees paid to Nicolette Financial are separate and distinct from the fees/expenses charged by mutual funds to their shareholders, or broker/dealers for the execution of trades. These fees and expenses are described in each fund's prospectus. Fees charged by mutual funds generally include a management fee, other fund expenses, and a possible distribution fee. A fund may also impose an initial or deferred sales charge. Accordingly, the client should review both the fees charged by the funds and the fees charged by Nicolette Financial to fully understand the total amount of fees to be paid by the client.

Nicolette does not accept any compensation or commission from the sale of any securities, investment products or insurance products.

Item 6: Performance-based Fees and Side-By-Side Management

Nicolette Financial does not have any "Performance Based Fees".

Performance-Based Fees are fees that are based on a share of capital gains on, or capital appreciation of client assets.

Item 7: Types of Clients

Nicolette Financial provides Financial Planning Consulting Services and Investment Advisory Services for:

- Individuals
- Trusts, Estates, or Charitable Organizations
- Corporations or Business Entities

Nicolette Financial does not require a client to have any minimum account balance or asset value total for providing Financial Planning Consulting Services or Investment Advisory Services.

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

Nicolette Financial uses the following process for its Investment Advisory Services:

1. Prepare written Investment Policy Statement (IPS) specific for each client and document the process for making investment decisions via a Portfolio Management Agreement.
2. Diversify client portfolio assets in accordance with the risk/return objectives as set forth in the IPS.
3. Use professional investment managers via The Vanguard Group, or other investment managers as deemed appropriate, consistent with the investment objectives as set forth in the IPS.
4. Control and account for all investment expenses.
5. Monitor activities of all investment managers and/or service providers.
6. Communicate strategies and results to clients via quarterly reports, and semi-annual or annual meetings.

The process for selection and monitoring of investment vehicles:

1. Return Numbers: Time-Weighted returns over 1,3,5 years; Net and Gross Fees; Long-Term out-performance of appropriate market indices.
2. Risk Adjusted Returns: Sharp Ratio & Alpha
3. Performance in Relation to Objective: Third party objective evaluations & long-term quartile performance.
4. Manager's Adherence to Stated Investment Style: Attribution analysis; style box position over time.
5. Performance in Both Rising & Falling Markets: Beta & R² Measures
6. Management Efficiencies & Cost Control: Expense ratio versus peers.
7. Manager Experience: Manager tenure and long-term track record.

Nicolette Financial will manage the investments consistent with each client's investment strategy as outlined in the Investment Policy Statement (IPS). Nicolette Financial will make recommendations regarding an investment approach that is based on, but not limited to, the client's financial needs, investment goals, time horizon, tax objectives, and tolerance towards risk. Selection of investment products may include but are not limited to exchange listed securities, variable life insurance, variable annuities, municipal securities, mutual funds, and US government securities.

Nicolette Financial does not represent, warranty, or imply that the services or methods of analysis employed can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines.

Investing in securities involves the risk of loss, and clients should be prepared to accept this loss.

Item 9: Disciplinary Information

Nicolette Financial does not have any legal or disciplinary events that would affect client evaluation of its advisory business or bring into question the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

Nicolette Financial is an LLC formed under the laws of the Commonwealth of Virginia and is a duly **Registered Investment Advisor**.

Alan A Nicolette, CFP®, EA | Owner
Investment Advisor Representative

Nicolette Financial does not have any other relationships, affiliations, or activities within the financial industry.

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

Code of Ethics

Nicolette Financial has adopted the Code of Ethics and Professional Responsibility (Code of Ethics) adopted by the Certified Financial Planner Board of Standards, Inc. (CFP Board) to provide principles and rules to all persons whom the CFP board has recognized and certified to use the CFP®, CERTIFIED FINANCIAL PLANNER™ and certification marks (collectively “the marks”).

For purposes of this Code of Ethics, a person recognized and certified by the CFP Board to use the marks is called a CFP Board designee. This Code of Ethics applies to CFP Board designees actively involved in the practice of personal financial planning, in other areas of financial services, in industry, in related professions, in government, in education or in any other professional activity in which the marks are used in the performance of professional responsibilities. This Code of Ethics also applies to candidates for the CFP certification who are registered as such with the CFP Board.

A copy of the **Code of Ethics** is available to clients upon request.

Privacy Policy

Nicolette Financial does not disclose any nonpublic personal information about the firm's clients or former clients to anyone, except as permitted by law. However, the firm may also provide customer information outside of the firm as required by law, such as to government entities, consumer reporting agencies or other third parties in response to subpoenas. Additionally, Nicolette Financial does not jointly market with affiliated or nonaffiliated companies.

Participation of Interest in Client Transactions

At times, Nicolette Financial and/or its associated persons may personally purchase or sell mutual funds for personal accounts that they may advise clients to also purchase or sell. In all such cases, Nicolette Financial will seek to avoid conflicts with its clients and will disclose those mutual funds with its clients. Nicolette Financial will also disclose that it uses The Vanguard Group, Inc. as the custodial services provider and broker for personal assets.

Nicolette Financial does not buy securities from advisory clients.

Item 12: Brokerage Practices

Nicolette Financial has chosen The Vanguard Group, Inc. as the provider for custodial investment account services and brokerage services. The Vanguard Group, Inc. is an industry leader in providing investment custodial account services, and an industry leader in cost management as proven by their expense ratios for mutual funds and Exchange Traded Funds. The Vanguard Group, Inc. provides competitive pricing for their brokerage services. Depending on the value of client assets held at Vanguard, Vanguard offers a tiered pricing approach that will provide lower mutual fund costs, and brokerage services based on the assets within a mutual fund, and overall for its brokerage services for each individual client.

All client transactions are placed by Nicolette Financial using Vanguard online services. When traded online, the Vanguard platform charges zero fees or commissions on more than 3,000 third-party mutual funds and nearly every third-party ETF in the industry. Online trades are free for all Vanguard mutual funds & Vanguard Exchange Traded Funds (ETFs), along with all third-party mutual funds and ETFs.

Nicolette Financial will inform its clients that they will use The Vanguard Group, Inc. as the custodial provider for investment accounts and brokerage services. In addition, Nicolette Financial will disclose the following information as it relates to the relationship between The Vanguard Group, Nicolette Financial, and the client:

1. Nicolette Financial has no ability to dictate or set commissions.
2. Nicolette Financial does not receive any type of product, service, or compensation from Vanguard.
3. Alan Nicolette uses The Vanguard Group, Inc. as custodial provider for personal investment assets.

Nicolette Financial does not receive any compensation or commissions from The Vanguard Group, Inc. In addition, Nicolette Financial does not receive any research that would not otherwise be made available to clients, nor does Nicolette receive any "Soft Dollar Benefits" from The Vanguard Group.

Any research products or services received from Vanguard may include financial publications, information about particular companies and industries that provide lawful and appropriate assistance to Nicolette Financial in the performance of its investment advisory services. Such research products and services are provided to all investment advisors.

Nicolette Financial does not recommend, request, or require any client to direct Nicolette Financial to execute transactions through any specified broker-dealer. Nicolette Financial does not have any affiliation or economic relationship with any broker-dealers.

Nicolette Financial does not aggregate the purchase or sale of securities for various client accounts. Nicolette Financial has "Limited Agent Authorization" for all client accounts that are established at Vanguard. Each client account is registered in the client's name at Vanguard. Nicolette Financial has no authorization to aggregate trades across client accounts.

Item 13: Review of Accounts

Alan Nicolette will monitor all investment advisory accounts on a continuous basis and will schedule and conduct formal reviews with clients quarterly. Triggering factors that would stimulate the review would

include investment performance relative to asset class, appropriate benchmark(s), market volatility, change in mutual fund management, change in client's objectives, or client requests.

As a part of the investment advisory services, written investment reports are provided to clients after the end of each quarter (March, June, September, December). The nature of the report will be to review the portfolio detail, position changes, time-weighted returns, and investment performance against the investment objectives and appropriate market benchmarks.

Market benchmarks are used to track the performance of mutual funds and electronically traded funds, and this benchmark data is provided as a part of the client quarterly report.

The content of each investment report delivered to each client quarterly contain:

- Current Portfolio Asset Allocation versus Target
- Change in Portfolio Value including changes in investment positions
- Investments and Withdrawals
- Time Weighted Return(s) for each investment account
- Performance of Portfolio versus appropriate market benchmark indexes
- Summary of accounts in each portfolio
- Summary of investment vehicles within each account
- Summary of Dollar Cost Average plans for any asset transfers (if applicable)
- RMD summaries (if applicable)
- Other significant portfolio changes (if applicable)

Clients can meet with Alan Nicolette to review their reports at their request and without any additional charges.

Item 14 Client Referrals and Other Compensation

Nicolette Financial does not use client referrals as a means to receive any compensation or economic consideration.

Item 15 Custody

Nicolette Financial does not take custody of client assets at any time. Nicolette Financial uses The Vanguard Group, Inc. as the custodial services provider for all investment accounts. Nicolette Financial will be restricted to the powers as outlined in the "Limited Agent Authority" specified in the Vanguard Agent Authorization Form for all client accounts.

Vanguard, Limited Agent Authority Powers Only Include:

- Invest client assets in Vanguard funds and exchange assets among Vanguard funds
- Redeem shares from your fund accounts and have proceeds payable to only the client, and sent to your home address
- For Vanguard Brokerage Services account: (1) purchase, sell, and trade stocks, bonds, mutual funds, Electronic Traded Funds (ETF's) and other securities and contracts relating to the same; (2) engage in margin and option trading; (3) request distributions from client account payable only to client and sent to client address or bank account of record that was established by the client.

As Limited Agent, Nicolette Financial has **NO Authority to:**

- Change the address of record on client accounts

- Change; add; delete beneficiaries
- Add, delete, or change any banking information with respect to client accounts
- Request a wire transfer to any account other than the client bank account of record
- Redeem shares from client accounts and have proceeds sent to anyone other than the client
- Have check-writing privileges on client accounts
- Sign or e-sign an account application or otherwise open a new registration on Nicolette Financials behalf
- Transfer assets to a new registration

Qualified Retirement Plan Client Accounts

In the cases where Nicolette Financial provides investment advisory services for a client that includes a 401(k), 403(b), or similar Qualified Retirement Plan account, Nicolette Financial and client will execute either (1) a "Limited Trading Authorization and Indemnification Form" with the Third Party Administrator (TPA) of the Qualified Retirement Plan, or (2) a Limited Power of Attorney with "Limited Power" specifically limiting Nicolette Financial with authorization to execute trades on behalf of the client, and request reports from the Third Party Administrator.

In either case, Nicolette Financial will have **NO Authority** to:

- Change the address of record on client accounts
- Change; add; delete beneficiaries
- Add, delete, or change any banking information with respect to client accounts
- Request a wire transfer to any account other than the client bank account of record
- Redeem shares from client accounts and have proceeds sent to anyone other than the client
- Have check-writing privileges on client accounts
- Sign or e-sign an account application or otherwise open a new registration on Nicolette Financials behalf
- Transfer assets to a new registration

Item 16: Investment Discretion

Nicolette Financial provides advisory services on a non-discretionary basis. Nicolette Financial will obtain approval from the client prior to execution of any trade.

Item 17: Voting Client Securities

Nicolette Financial does not vote proxies on behalf of advisory clients. Clients will receive their proxies or other solicitations directly from their custodian or transfer agent, and they are responsible for voting proxies for any and all securities maintained in their portfolios. You are encouraged to contact Nicolette Financial anytime with questions or concerns about a particular solicitation.

Item 18: Financial Information

Nicolette Financial does not (1) require prepayment of more than \$500 in fees per client for Financial Planning services, and (2) does not take custody of client assets or securities. Nicolette Financial 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

Please see section "Form ADV Part 2B: Brochure Supplement" which begins on the next page.

Form ADV: Part II B Brochure Supplement

Uniform Application for Investment Advisor Registration

Item 1: Cover Page

Nicolette Financial Advisors LLC
Registered Investment Advisor
2169 Polo Grounds Road
Charlottesville, VA 22911
703-727-2717 (mobile)
www.NicoletteFinancial.com
alan@NicoletteFinancial.com

AND
5018 N. Virginia Dare Trail
Kitty Hawk, NC 27949

Part II B Brochure Supplement requires that Nicolette Financial Advisors LLC, hereafter referred to in this document as Nicolette Financial, disclose information about its investment adviser representatives. Nicolette Financial currently has one representative, Alan A. Nicolette, CFP®, EA.

This brochure supplement provides information about Alan A. Nicolette that supplements the Part II A Brochure. You should have received a copy of that brochure. Please contact Nicolette Financial if you did not receive that brochure or if you have any questions about the contents of this supplement.

Additional information about Alan A. Nicolette is available on the internet at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD for Alan A. Nicolette is 548 429.

Table of Contents

Item 1 – Cover Page

Item 2 – Background, Business & Experience

Item 3 – Disciplinary Information

Item 4 – Other Business Activities

Item 5 - Additional and Compensation

Item 6 - Supervision

Item 7 – Requirements for State-Registered Advisers

2 – Background and Business Experience

Alan A. Nicolette, CFP®, EA
Year of Birth: 1955

Alan Nicolette started Nicolette Financial Advisors LLC in 2008 following a 30-year career in the Information Technology field. I earned my BS degree from New Jersey Institute of Technology in 1977, a Masters of Business Administration with a focus a business finance from Seton Hall University in 1983, and a Masters in Management from NJIT in 1994.

I am a CERTIFIED FINANCIAL PLANNER™ professional and licensed IRS Enrolled Agent. I currently reside in Charlottesville, VA with my wife Anne. We have three grown sons and 6 grandchildren. We enjoy biking, kayaking, and other outdoor activities.

In 1995, the firm I worked for converted their Defined Benefit Pension Plan to a Cash Balance Defined Plan. In 1998 I left that firm and took with me my pension cash-balance and my 401(k) cash-balance. I promptly opened an IRA, rolled my cash balances into my new IRA, and thus began my journey of managing my retirement accounts.

I started out as a bottoms-up investor, picking the latest funds that seemed to be good, and not understanding the principles of asset classes, lowering risk exposure based on different asset classes and diversification. In essence, I was purchasing funds that essentially owned the same stocks.

I did not have an **Investment Plan or Strategy**; instead of focusing on how the portfolio as a whole served the objective, I built my portfolio bottoms-up, viewing each investment in isolation. Another way to characterize this process is “fund collecting”: I was drawn to evaluate a particular fund and if it seemed attractive, I would buy it, often without thinking about how or where it may fit within the overall allocation.

Now as a Professional Financial Planner and Investment Advisor, I put into practice the principles for building and managing my personal and client accounts:

Setting Clear Objectives; Constraints; Savings or Spending Goals; Asset Allocation & Diversification; Rebalancing Strategy; Monitoring & Evaluation

I have had the pleasure of raising three children. While teaching them to drive, I was sure to instill this important principle about being on the road: as the driver, you always have control of two things, (1) the speed that you drive, and (2) the distance that you can keep between your car and the car in front of you.

All other things are external forces beyond your control and require constant monitoring and assessing, after which you vary your speed and distance based upon the information. You just do not set one car speed and one distance between your car and the car in front of you and do not pay attention to all the other elements around you.

I believe this driving metaphor transfers well to the concepts of financial investment. I learned very quickly as an investor that there were elements of investing, I could directly control. These included being cost efficient in the investments selected, selecting investments with a strong track record of performance and ranking against similar investments, utilizing different asset class to manage risk, building a diversified portfolio, rebalancing, and determining when to make changes. Likewise, understanding domestic & global economies, geo-political events, Federal Reserve Policy, current administration regulations, etc., are all factors that we cannot control, but will influence portfolio design and rebalancing and must be taken into account in order to be prepared for changes in the market.

Since starting my firm in 2008, I have helped many clients understand, prioritize, and accomplish their financial goals. We normally start with building a Financial Plan that provides the framework and road map to help with achieving their financial goals. From there, we often move into an Investment Advisory & Management relationship where I provide the active role of building and managing retirement and investment accounts.

My clients find it comforting that, like them, I have been and still am in the process of figuring out how to accomplish diverse and often conflicting financial goals. Financial investment is a constantly evolving, living and breathing organism that rarely, if ever, finds a place of stasis. My wife and I have managed to accomplish similar financial events including raising three children, paying for college, owning our home, and saving for retirement. And I have "skin in the game" as I am the person that is managing our retirement and investment accounts. I have the same goal to eventually draw on those retirement assets and have them last for 30+ years of retirement.

I would not use an investment for a client that I would not use for my personal portfolio. In almost all cases, the investments that I use for my clients are the same investments that I am using for my personal portfolios. In this way, I guarantee my clients that I have the same interests as they have in growing and guarding their portfolios.

2 – Educational Background (continued)

Formal Education, Certifications & Associations:

- **Master of Business Administration in Finance:** Seton Hall University
- **Master of Science in Management:** New Jersey Institute of Technology
- **Bachelor of Science in Computer Science:** New Jersey Institute of Technology
- **CERTIFIED FINANCIAL PLANNER™ Professional**
- **Investment Advisor Representative:** Uniform Investment Advisors Law Examination (Series 65) (April 2008)
- **IRS Enrolled Agent (EA)** - Represent taxpayers before the IRS (December 22, 2011)
- **CFP Board Certification Examination:** CFP Board of Standards, Inc. (November 2007)
- **CFP Board Certification Professional Program:** College of Financial Planning
- Member – Financial Planning Association
- Member – National Association of Enrolled Agents

Certified Financial Planner, CFP® Designation & Professional Requirements

Education: To take the CFP Board Certification Examination, the candidate must be knowledgeable in all of areas covered by the financial planning profession. Candidates must pass a CFP Board-Registered Program.

Examination: Pass the 10-hour CFP Board Certification Examination which assesses individual's ability to apply financial planning knowledge in an integrated format to financial planning situations.

Experience: Use of the CFP® designation indicates to the public the ability to provide financial planning without supervision. CFP Board requires three years of full-time relevant personal financial planning experience before allowing the use of CFP® designation.

Ethics: CFP® certification requires individual to agree to adhere to CFP Board's *Code of Ethics and Professional Responsibility, Rules of Conduct* and *Financial Planning Practice Standards*, and acknowledge CFP Board's right to enforce them through its *Disciplinary Rules and Procedures*.

Continuing Education: CFP® Professionals are required to complete 30 hours of CE each reporting period:

- 2 hours from a CFP Board-approved program on CFP Board's *Standards of Professional Conduct*.
- 28 hours from one or more of the accepted subject topics.

Enrolled Agent (EA) Designation & Professional Requirements

An **Enrolled Agent** is a person who has earned the privilege of representing taxpayers before the Internal Revenue Service by (1) either passing a three-part comprehensive IRS test covering individual and business tax returns, or (2) through experience as a former IRS employee.

Enrolled Agent status is the highest credential the IRS awards. Individuals who obtain this elite status must adhere to ethical standards and complete 72 hours of continuing education courses every three years. **EA** professional designation is the only federally licensed tax practitioners who specialize in taxation and also have unlimited rights to represent taxpayers before the IRS.

Enrolled Agents, like attorneys and certified public accountants (CPAs), have unlimited practice rights. This means they are unrestricted as to which taxpayers they can represent, what types of tax matters they can handle, and which IRS offices they can represent clients before.

<http://www.irs.gov/Tax-Professionals/Enrolled-Agents/Enrolled-Agent-Information>

3 - Disciplinary Information

None

4 – Other Business Activities

Alan Nicolette provides tax preparation and filing services for business, non-profit and individual clients. Knowledge in federal and state tax laws allows Alan Nicolette to assist clients in complying with all necessary tax requirements as well as in identifying opportunities that minimize tax burdens.

I am an IRS Enrolled Agent (EA) and able to represent taxpayers before the IRS.

5 – Additional Compensation

None

6 – Supervision

Not applicable

7 – Requirements for State Registered Advisors

None