

## TPG FINANCIAL ADVISORS, LLC

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April 21, 2017

This Brochure provides information about the qualifications and business practices of TPG Financial Advisors, LLC. If you have any questions about the contents of this Brochure, you may contact us at (503) 241-9550 or [cmchale@tpgrp.com](mailto:cmchale@tpgrp.com) to obtain answers and additional information. TPG Financial Advisors, LLC is a registered investment adviser with the Securities and Exchange Commission. Registration of an investment adviser does not imply any level of skill or training. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about TPG Financial Advisors, LLC is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for TPG Financial Advisors, LLC is 141153.

## Item 2 – Material Changes

The date of our previous annual update to our Brochure was February 19, 2016.

We will ensure that all current Clients receive a Summary of Material Changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. A Summary of Material Changes is listed as "Exhibit A" to our Brochure and is also included with our Brochure on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for TPG Financial Advisors, LLC is 141153.

We will continue to provide other ongoing disclosure information about material changes as necessary and will provide you with a new Brochure when required based on those changes or new information.

Currently, our Brochure may be requested by contacting TPG Financial Advisors, LLC at (503) 241-9550 or [cmchale@tpgrp.com](mailto:cmchale@tpgrp.com). Our Brochure is provided free of charge.

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#### Item 4 – Advisory Business

- A** TPG Financial Advisors, LLC (“TPGFA” “we” or “us”) is an independent registered investment advisory firm located in Portland, Oregon. We are registered with the Securities and Exchange Commission and notice filed in the states of California, Louisiana, Oregon, Texas, Arizona and Washington. We provide investment supervisory and management advisory services as well as investment consulting and financial planning services. The firm has been in business since 2006 and is wholly owned by The Partners Group, Ltd. Indirectly, the principal owner is Roderick B. Cruickshank. Carrie McHale is the firm’s Chief Compliance Officer. Our investment advisory services are driven by and coordinated with each Client’s individual financial goals. Our approach uses broadly diversified portfolios and a systematic strategy to manage investments. We follow strict fiduciary standards, putting our Clients’ interests before our own and seek to minimize and disclose conflicts of interest with our Clients.
- B, C** We help Clients coordinate and prioritize their financial lives with all aspects of their life goals. Integrating investments across individual retirement accounts, taxable accounts, and employee retirement accounts is crucial to the process. Client input and involvement are critical parts of the financial planning process and implementation of investment decisions. After Client assets are invested, we continuously monitor their investments and provide advice related to ongoing financial and investment needs.

The majority of our Clients’ funds are managed with non-discretionary authority. This means we must first obtain your approval prior to executing any transactions in your account(s). Client funds we manage using our proprietary traditional asset allocation models are managed on a discretionary basis. Discretionary authority allows us to execute investment recommendations on your behalf without your prior approval of each specific transaction.

Advice and services are tailored to the stated objectives of the Client(s). We discuss with the Client in detail critically important information such as the Client’s risk tolerance, time horizon, and projected future needs, to formulate an investment plan. This plan guides us in objectively and suitably managing the Client’s account. We meet with Clients as needed to review portfolio performance, discuss current issues, and re-assess goals and plans.

Our approach uses broadly diversified portfolios and a systematic strategy to manage investments. Our investment recommendations generally include mutual funds, exchange-traded funds, exchange-listed equity securities, and alternative investments. We also recommend certificates of deposit, municipal securities, U.S. government securities and money market funds. If Clients hold other types of investments, we will advise them on those investments also. Clients may impose reasonable restrictions on investing in certain securities or types of securities. See Item 8 for a description of our investment strategy.

- D** We do not manage wrap fee programs. However, we may refer Clients to, and receive a fee from, Third Party Asset Managers (“TPAM”) or sub-advisors who sponsor and manage wrap fee programs. See Items 5E and 10 below for information regarding referrals to parties who sponsor wrap fee programs.

- E** We provide investment management services on approximately \$327,083,056 of Client assets on a non-discretionary basis and \$77,268,415 of Client assets on a discretionary basis. We provide investment advice and consult on an additional \$231,157,941 of client assets that do not qualify as Assets Under Management under SEC rules and guidance. These amounts were calculated as of December 31, 2016.

## Item 5 – Fees and Compensation

- A** TPGFA provides investment supervisory, financial planning and investment consulting services to Clients. Services may include the analysis of the Client’s current portfolio, development of a financial plan and investment policy statement, implementation of a recommended portfolio, and ongoing monitoring of the financial plan/investment portfolio.

### **Assets Under Management (“AUM”):**

Generally, the maximum percentage fee a client can be charged by their TPGFA financial advisor is 1.5%. The actual charge is agreed upon by the client and their advisor. This agreed upon fee is charged either quarterly in arrears, based on the value of the assets under management on the last day of each quarter, or quarterly in advance based on the value of the assets under management on the last day of the previous quarter. The fee is detailed and fully disclosed in a signed client agreement.

### **Financial Planning:**

We offer financial planning services for a fixed fee or at hourly rates. Fixed fees for planning services are project-based. Pricing is ultimately dependent upon the needs of the Client and the complexity of the plan. Some examples of Financial Planning options and pricing include:

- \$1,500.00 – Focused Retirement Plan: Statements of Financial Position (Includes Net Worth and limited Cash flow Statements), Risk Assessment, Long Term Care and Disability Evaluation, and Retirement Planning.
- \$2,500.00 – Core Financial Plan: Statements of Financial Position (Includes Net Worth and Cash flow Statements), Risk Assessment, Long Term Care and Disability Evaluation, Asset Allocation, and Retirement Planning.
- \$4,000.00 - Inclusive Financial Plan: Statements of Financial Position (Includes Net Worth and Cash flow Statements), Risk Assessment, Long Term Care and Disability Evaluation, Core Tax Planning, Core Estate Planning, Asset Allocation, Real Estate Analysis, Retirement Planning, and Business Transition Planning.

- B** Except for limited circumstances when billing is in advance, our standard AUM fees are paid to us quarterly in arrears. Our Clients instruct the custodian to calculate our fee based upon the rate provided under the agreement, and then pay us that amount out of the account(s).

Clients are advised that payment of fees may result in the liquidation of Client's securities if there is insufficient cash in the account. The fee is based on the average market value of the Client's account on the last trading day of the prior quarter.

Market value means the value of all assets in the account (not adjusted by any margin debit). To determine value, securities and other instruments traded on a market for which actual transaction prices are publicly reported shall be valued at the last reported sale price on the principal market in which they are traded (or, if there shall be no sales on such date, then at the mean between the closing bid and asked prices on such date). Other readily marketable securities and other instruments shall be priced using a pricing service or through quotations from one or more dealers. All other assets shall be valued at fair value by the Adviser whose determination shall be conclusive.

Fees for a partial quarter at the commencement of an agreement will be prorated based on the number of days the account was open during the quarter. Fees for a partial quarter at the termination of an agreement will also be prorated based on the number of days the account was open during the quarter. The actual calculation will be based on the average market value of the Client's account as of the date TPGFA instructs the custodian to pay such fee after receiving notice of termination. Quarterly fee adjustments for additional assets received into or withdrawn from an account during a quarter may also be provided on the above pro rata basis. TPGFA may modify the terms of the fee agreement by giving Clients 30 days advance written notice.

Fixed fee projects generally require a retainer in the amount of 50% of the project cost up front. The remaining 50% is due and payable upon completion of the project. Hourly rate services and/or projects range from \$150 to \$350 per hour depending on the scope and complexity of the work to be performed. We will invoice Clients for hourly rate services/projects.

- C** Clients pay brokerage transaction costs and other charges directly to the custodian. See Item 12. Client may be required to pay, in addition to TPGFA's fee, a proportionate share of any Exchange Traded Fund's (ETF) or mutual fund's fees and charges. For example, Mutual fund operating expenses are paid out of the fund and are an additional expense incurred by the Client.

Fees include the time and activities necessary to work with Client's attorney and/or accountant in reaching agreement on solutions, as well as assisting those advisors in implementation of all appropriate documents. We are not responsible for attorney or accountant fees charged to Client as a result of these activities.

Additional fees may be charged by TPGFA for travel or extensive planning needs.

- D** With the exception of a few clients where billing is in advance, Clients primarily pay investment supervisory and/or management fees quarterly in arrears. Hourly rate projects are invoiced by TPGFA with payment due by Client upon receipt of the invoice. As such, there are very

few pre-paid fees for AUM or hourly based services/projects which would require a refund of unearned fees.

Client's pay flat fee projects 50% in advance and 50% upon completion of the project. A portion of fees are prepaid for flat fee projects.

Upon termination of any account or project, any prepaid but unearned fees will be promptly refunded by TPGFA. Any fees that have been earned by TPGFA but not yet paid by Client will be due and payable.

Service agreements are generally terminable upon providing TPGFA with 15 days written notice.

**E** Investment Adviser Representatives of TPGFA may also be Investment Adviser Representatives and/or Registered Representatives of Geneos Wealth Management, Inc. ("Geneos"). Geneos is not affiliated with TPGFA. Certain Investment Adviser Representatives or other employees of TPGFA are also licensed to sell insurance through The Partners Group, LTD, a licensed insurance agency which controls TPGFA.

Securities and insurance related business is transacted with advisory Clients, and individuals may receive commissions from products sold to Clients. Clients are advised that the fees paid to TPGFA for investment advisory services are separate and distinct from the commissions earned by any individual for selling Clients insurance or other securities products. If requested by a Client, we will disclose the amount of commission expected to be paid.

The receipt of commissions by an affiliated entity or individuals associated with the firm presents a conflict of interest. As fiduciaries we must act primarily for the benefit of investment advisory Clients. As such, we will only transact insurance or securities related business with Clients when fully disclosed, suitable, and appropriate. Further, we must determine in good faith that any commissions paid to our representatives are appropriate. Clients are under no obligation to use any individual associated with TPGFA for insurance or securities products or services. Clients may use any insurance or brokerage firm or agent they choose.

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

TPGFA does not charge any performance-based fees for its services or engage in side-by-side management. Accordingly, this item is not applicable to our firm.

## **Item 7 – Types of Clients**

We provide investment advice to individuals, businesses, pension and profit sharing plans, trusts, estates, and charitable organizations. Because each Client is unique, they must be willing to be involved in the planning and ongoing processes. Such involvement does not have to be time

consuming, however we want our Clients to remain informed and have a sense of security about their investments.

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

### ***Our Investment Process***

To identify and analyze investment solutions suitable for your portfolio, we employ the following investment process. Each step, as outlined below, informs our investment recommendations.

#### **Financial Analysis**

We meet with you to gather information regarding your current financial position and investment goals. We call this the Discovery Process and we use this meeting to determine whether your needs are primarily accumulation or distribution, and we will assess any unique challenges you face. This helps us understand your values, priorities and who you are as an investor. We use this knowledge to determine the risk/return profile that best reflects your risk tolerance. Your risk/return profile sets a framework for our recommendations.

#### **Navigating Volatility**

Historically, the stock market has moved through long-term (or secular) bull and bear markets. These are periods when deep-rooted economic trends can dominate market returns for many years, even decades. With this history in mind, we assess the current market to help determine an outlook that may be appropriate for your investment time horizon and financial goals. This outlook may be optimistic, pessimistic or neutral, and is used to help formulate our recommendations. Our portfolios are tilted to reflect the market environment.

#### **Risk/Return Profiles**

We will work with you to develop your personal risk tolerance and investment objectives (risk/return profiles). These risk/return profiles range from most conservative (lowest estimated risk and lowest estimated potential return) to most aggressive (highest estimated risk and highest estimated potential return).

#### **Approaches to Investing**

We have developed a set of four approaches to investing (“Asset Allocation Approaches”). We assist our clients in selecting strategies that employ one or more Asset Allocation Approaches for their investment account(s).

##### Strategic Asset Allocation Approach

- Seeks to optimize risk adjusted return while adhering to asset allocation parameters
- Relative market exposure and market performance will be important to return results

##### Tactical Constrained Asset Allocation Approach

- Seeks to optimize risk adjusted returns while primarily adhering to asset allocation parameters and utilizing tactical deviations from the mix in efforts to add additional value

- Relative market exposure and market performance will be important to return results with further impact from tactical decision making

#### Tactical Unconstrained Asset Allocation Approach

- Seeks to optimize risk adjusted returns without regard to asset allocation parameters.
- Relative return exposure will vary over time and, as a result, the decisions made regarding the magnitude and types of asset class exposure taken over time will be important to return results, along with the performance of those asset classes.

#### Absolute Return Allocation Approach

- Seeks to capture modest positive returns over time regardless of general market direction while managing broad market risk and correlation. This objective may or may not be achieved in any specific time frame.
- Active investment decisions made with regard to specific asset class exposures and security selections will be important to return results, along with performance of the selected investments.

#### **Additional Investment Solutions**

While these four approaches to asset allocation represent the core of the investment solutions we select from in building your portfolio, in certain circumstances we may also consider additional investment solutions that may not be categorized by these asset allocation approaches. These solutions, if selected, will be considered in light of how they may complement those already established within your portfolio.

#### **Portfolio Strategist Selection**

The investment strategies selected for your portfolio are designed to be consistent with your risk/return profile. An account may be directed by a portfolio strategist who will recommend the asset classes and mix of equities, fixed income and cash for the account based on the asset allocation approach(es) chosen for your portfolio. As your financial advisor, we recommend the initial portfolio strategist(s) that will help implement your investment plan. To ensure your assets are managed with prudence and integrity, all portfolio strategists that we may recommend:

- Have considerable expertise in their specific approach(es) to asset allocation
- Conduct substantial research across global capital markets
- Adhere to a defined and disciplined investment process

#### **Monitoring and Rebalancing Your Portfolio**

Asset allocations are not static. Market returns may cause them to expand or contract at different rates. Depending on the asset allocation approach, and according to your investment needs, assets within your portfolio may periodically be rebalanced or reallocated as recommended by the portfolio strategist(s) selected for your account.

#### **Rebalancing**

When market returns have caused asset allocations to extend beyond predetermined limits, your portfolio may be rebalanced back to an original target mix.

### **Reallocating**

As the portfolio strategist's outlook evolves, assets within your portfolio may be reallocated to capture opportunities or manage risk.

### **Ongoing Review of Your Portfolio**

An integral part of our investment process is our ongoing monitoring of your portfolio. Periodically, we meet with you to review your portfolio and your personal financial circumstances to ensure that your investment strategy remains aligned with your risk tolerance and long-term financial goals. As your circumstances evolve, you are faced with either expected or unexpected life events, and we will help you make informed decisions that keep you on track toward your desired financial future.

### ***Types of Investments***

We primarily recommend mutual funds and Exchange Traded Funds (ETF). However, we may recommend other suitable securities (such as variable annuities and interests in real estate investment trusts (REITS)) based upon the Clients' needs and objectives. Each type of security has its own unique set of risks associated with it, and it would not be possible to disclose all of the specific risks of every type of investment in this Brochure. We strive to keep Clients educated and informed of material risks associated with particular investments. If you have any questions regarding the risks associated with a particular investment, please feel free to contact us.

**Mutual Funds** are professionally managed collective investment companies that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual or exchange traded funds, other securities or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. Other fund risks include foreign securities and currency risk, emerging markets risk, small-cap, mid-cap and large-cap risk, trading risk, and turnover risk that can increase fund expenses and may decrease fund performance. Brokerage and transactions costs incurred by the fund will reduce returns.

**Bonds** are debt securities in which an investor loans money to an entity (typically corporate or governmental) which borrows the funds for a defined period of time at a variable or fixed interest rate. Bonds are used by companies, municipalities, states and sovereign governments to raise money and finance a variety of projects and activities. Owners of bonds are debt holders, or creditors, of the issuer. A properly-constructed bond portfolio will be based upon input from economic analysis, yield curve forecasts, assessed credit-worthiness, sector weightings, and client-specific requirements in order to address the risks inherent in investing in bonds. Such risks include: Interest Rate Risk – the risk that changes in interest rates will affect the value of bond investments. Increases in interest rates typically cause the value of bonds to decline, and bonds with longer maturities typically exhibit greater interest rate risk than do bonds with shorter maturities; Credit Risk – the risk that changes in the financial strength of an issuer may affect the issuer's ability to repay principal and to make timely interest payments. The degree of credit risk for a particular bond may be reflected in its credit rating; Liquidity risk – the risk that specific bonds may be difficult to buy or sell in a short period of time

without affecting the value of those bonds adversely. Bonds purchased for client portfolios are typically expected to be held to maturity unless conditions warrant otherwise. Such conditions may include the deterioration of a bond's credit-worthiness or the opportunity to replace a bond with another bond deemed more attractive. Bonds sold prior to maturity may be sold at higher or lower prices than originally paid depending upon market and borrower factors.

**ETFs** are investment funds traded on stock exchanges, much like stocks or equities. An ETF holds assets such as stocks, commodities, or bonds and trades at approximately the same price as the net asset value of its underlying assets over the course of the trading day. Most ETFs track an index, such as the S&P 500. However, some ETFs are fully transparent actively managed funds. Market risk is, perhaps, the most significant risk associated with ETFs. This risk is defined by the day to day fluctuations associated with any exchange traded security, where fluctuations occur in part based on the perception of investors. Shareholders of ETFs indirectly own the assets of the fund, and they are entitled to share in the profits, such as interest or dividends, and they may get residual value in case the fund is liquidated. Ownership of the fund may easily be bought and sold. ETFs are similar in many ways to traditional mutual funds, except that shares in an ETF can be bought and sold throughout the day like stocks on the stock exchange. Unlike mutual funds, ETFs do not sell or redeem individual shares at net asset value. ETFs generally provide diversification, low expense ratios and tax efficiency of index funds while still maintaining all the features of ordinary stock. Because ETFs can be economically acquired, held and disposed of, some investors invest in ETF shares as a long-term investment for assets allocation purposes.

**Real Estate Investment Trusts** The value of an investment in REITs may change in response to changes in the real estate market. Investments in REITs may subject it to some or all of the following risks: declines in the value of real estate; changes in interest rates; lack of available mortgage funds or other limits on obtaining capital and financing; overbuilding; extended vacancies of properties; increases in property taxes and operating expenses; changes in zoning laws and regulations; casualty or condemnation losses; and tax consequences of the failure of a REIT to comply with tax law requirements. REITs may also have additional fees such as ongoing operating fees and expenses (which may include management, operating and administrative expenses).

**Variable Annuities** can have many complex features and clauses. In particular, annuity values and income may be impacted by fees and expenses to purchase the annuity as well as market volatility or the financial condition of the issuer. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Taxes and insurance company charges may apply if money is withdrawn early. Variable annuities also involve investment risk. A prospectus provides information about a variable annuity's investment options and should be read carefully.

**Third-Party Manager Analysis** We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated a persistent ability to invest successfully over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks. A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying

investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, we have no authority or control over a manager's daily business and compliance operations, including the manager's internal controls necessary to prevent business, regulatory or reputational deficiencies.

### **Risks for all forms of analysis**

Our securities analysis method relies on the assumption that the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

### ***Investment Strategies***

We primarily employ a three-tranche investment strategy to implement investment advice given to Clients.

The first is a short-term portfolio for emergency funds or money you will need in one to five years. Risk should be minimal for this portfolio. The focus of this tranche is on safety and income. For clients who are drawing down their portfolios to support their current lifestyles, their distributions would come from these investments.

The second tranche is a mid-term portfolio for funds you may need in five to ten years. These investments should have low or moderate volatility, depending upon your risk tolerance. The focus of this tranche is on growth and income.

The third tranche is the long-term portfolio and is targeted toward investments with the potential to achieve substantial growth at a rate of return that exceeds the impact of taxes and inflation. To achieve real growth, this portfolio tends to be exposed to greater volatility.

### **Sources of Information**

The main sources of information we rely upon when researching and analyzing securities include traditional research materials such as financial websites, newspapers, and magazines; research materials prepared by others; Third Party Money Manager resources, portfolio managers, prospectuses, and Morningstar.

We will use our best judgment and good faith efforts in rendering services to Client. We cannot warrant or guarantee any particular level of account performance, or that accounts will be profitable over time. Not every investment decision or recommendation made by us will be profitable. Our Clients assume all market risk involved in the investment of account assets under the Investment Advisory Agreement and understand that investment decisions made for their account(s) are subject to various market, currency, economic, political and business risks.

Except as may otherwise be provided by the Investment Advisers Act of 1940 or other applicable state or federal law, TPGFA does not assume liability for:

- Any loss that Client may suffer by reason of any investment decision made or other action taken or omitted in good faith by us with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use;

- Any loss arising from our adherence to Client’s instructions; or
- Any act or failure to act by a custodian or other third party to a Client’s account(s).

Clients are responsible for providing us complete information and to notify us of any changes in financial circumstances or goals. Item 9 – Disciplinary Information

We are required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of our firm, or the integrity of our management. No principal or person associated with us has any information to disclose which is applicable to this item.

### **Item 10 – Other Financial Industry Activities and Affiliations**

As disclosed in Section 5, above, Investment Adviser Representatives of TPGFA may also be licensed as Registered Representatives with Geneos Wealth Management, Inc. (“Geneos”). Geneos is a FINRA member broker-dealer firm unaffiliated with TPGFA. Certain Investment Adviser Representatives of TPGFA are also licensed as insurance agents with The Partners Group. The conflicts of interest associated with the above arrangements and how these conflicts are addressed are described in Section 5E, above.

TPGFA is wholly owned by The Partners Group, LTD. The Partners Group, LTD is a professional service firm assisting clients in building, preserving, and protecting their physical and financial assets. The Partners Group, LTD serves businesses and individuals and provides resources and expertise in the Insurance, Employee Benefits, Business Consulting, Risk Management, and Wealth Management disciplines.

K.C. Mink, an Investment Adviser Representative, has a minority shareholder interest in The Partners Group (10%). Mr. Mink is also on the Board of Directors. These affiliations create certain conflicts of interest because Mr. Mink has an incentive to recommend The Partners Group, LTD for specialized consulting services, in which case he would receive separate compensation. Ms. Olson has a minority shareholder interest in Geneos. As such, Ms. Olson has an incentive to recommend brokerage services through Geneos over other broker dealers. This conflict is mitigated by the fact that Ms. Olson does not have authority to determine what broker dealer(s) TPGFA will use for TPGFA Clients. If we recommend our affiliated firm to Clients for separate services, we will first disclose our affiliation and advise Clients that they are free to seek similar services from any consulting firm they wish.

The Partners Group, LTD is a minority owner of Lion Street Financial, LLC (“Lion Street”) and certain IARs of TPGFA offer their clients insurance products through Lion Street. As owners of The Partners Group, LTD, Shawn Higley, Sheryl Olson, K.C. Mink, Gary Alton, and Nicole Pond are indirect owners of Lion Street. This indirect ownership interest creates certain conflicts of interest. As such, the indirect owners of Lion Street have an incentive to offer insurance products through Lion Street. This conflict is mitigated by the fact that The Partners Group, LTD’s interest in Lion Street is small and the placement of any client in a Lion Street product will result in a minimal financial benefit to the owners of The Partners Group, LTD.

TPGFA may, on occasion, recommend that all or a portion of a Client’s assets be managed by an unaffiliated investment manager or sub-advisor. Fees charged by a sub-advisor will be fully disclosed

to Clients. Sub-advisory fees may be deducted directly from Client accounts and may result in increased fees to Client. In all discretionary accounts, except to the extent the Client directs otherwise, we are authorized to use our discretion in selecting or changing a sub-Advisor and/or outside money manager to the account without prior approval from a Client. Clients may be required to execute a limited power of attorney with a sub-advisor selected by us.

In certain circumstances, we may recommend that all or a portion of a Client's assets be managed under an all-inclusive ("wrap fee") program with an unaffiliated registered investment advisor or Third Party Asset Manager ("TPAM"). The TPAM will be responsible to provide Clients with a Wrap Program Brochure. Generally, fees charged under this type of arrangement will be fully disclosed to Clients. Wrap fees will include a fee paid to the TPAM ("Management Fee") and a fee paid to us (called a "Solicitor Fee") which may result in increased fees to Clients. Wrap fees will be deducted directly from Client accounts by the TPAM and the Solicitor Fee will be paid to us on a quarterly basis. Clients will be required to execute a separate agreement with the TPAM in this circumstance.

Under this type of arrangement, we will be paid a fee by the TPAM for our services in referring Clients to a TPAM's asset allocation and investment management program. Clients will remain as Clients of TPGFA. We will remain responsible for obtaining financial information from Clients, consulting with Clients regarding their investment objectives and communicating changes in the Client's financial situation and investment objectives to the TPAM.

Our fee (the "Solicitor Fee") will not exceed 1.50% of the value of account assets managed under the TPAM's Investment Advisory Agreement. The Solicitor Fee may be negotiable under certain circumstances.

The receipt of payment by a third party for referring Clients does present a conflict of interest. As fiduciaries we must act primarily for the benefit of investment advisory Clients. As such, we will only refer Clients to these third parties for investment management services when suitable, appropriate and on a fully disclosed basis.

### **Item 11 – Code of Ethics, Participation or Interest in Client Transactions & Personal Trading**

**A** TPGFA has a Code of Ethics that all employees are required to follow. The Code of Ethics outlines our standard of business conduct, and fiduciary duty to Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, and personal securities trading procedures, among other things.

A copy of the Code of Ethics is available to any Client or prospective Client upon request by contacting Carrie McHale at (503) 241-9550 or cmchale@tpgrp.com.

**B-D** We do not own or manage any companies or investments that we advise our Clients to buy. TPGFA or individuals associated with our firm may buy and sell some of the same securities for their own account that TPGFA buys and sells for its Clients. When appropriate we will purchase or sell securities for Clients before purchasing the same for our account or allowing representatives to purchase or sell the same for their own account. However, we do allow the accounts of employees to be included in block trading alongside the accounts of Clients. In some cases TPGFA or representatives may buy or sell securities for their own account for reasons not related to the strategies adopted for our Clients. Our employees are required to follow the Code of Ethics when making trades for their own accounts in securities which are recommended to and/or purchased for Clients. The Code of Ethics is designed to assure that the personal securities transactions will not interfere with decisions made in the best interest of advisory Clients while at the same time, allowing employees to invest their own accounts.

TPGFA will disclose to advisory Clients any material conflict of interest relating to us, our representatives, or any of our employees which could reasonably be expected to impair the rendering of unbiased and objective advice. As any advisory situation could present a conflict of interest, we have established the following restrictions to ensure our fiduciary responsibilities:

1. A director, officer, associated person, or employee of TPGFA shall not buy or sell securities for his personal portfolio where his decision is substantially derived, in whole or in part, by reason of his employment unless the information is also available to the investing public on reasonable inquiry. No person of TPGFA shall prefer his or her own interest to that of the advisory Client.
2. TPGFA maintains a list of all securities holdings for itself and for anyone associated with its advisory practice and reviews of these holdings are conducted on a regular basis.
3. Any individual not in observance of the above may be subject to termination.

### **Item 12 – Brokerage Practices**

**A** Except to the extent that the Client directs otherwise, TPGFA may use its discretion in selecting or recommending the broker-dealer. Clients are not obligated to effect transactions through any broker-dealer recommended by TPGFA. In recommending broker-dealers,

TPGFA will generally seek “best execution.” In recommending a broker-dealer TPGFA will comply with its fiduciary duty to obtain best execution and with the Securities Exchange Act of 1934 and will take into account such relevant factors as:

- Price;
- The broker’s capabilities, reliability and financial position;
- The broker’s ability to effect transactions, particularly with regard to such aspects as timing, order size and execution of order;
- The research and related brokerage services provided by such broker to TPGFA, notwithstanding that the account may not be the direct or exclusive beneficiary of such services; and
- Any other factors that we consider to be relevant.

Generally speaking, we will recommend that Clients establish brokerage accounts with either Geneos Wealth Management, Inc. (“Geneos”) or TD Ameritrade Institutional (“TDA”), both registered broker-dealers and SIPC members, so long as Geneos and TDA continue to meet the above criteria. We work primarily with TDA and Geneos for administrative convenience and also because they offer a good value to our Clients for the transaction costs and other costs incurred. With respect to fixed income transactions, we typically use a variety of brokers that meet the criteria described above. When we execute fixed income transactions with brokerage firms other than Geneos or TDA, clients typically incur a separate delivery fee when the securities are delivered to their custodian. We reserve the right to decline acceptance of any Client account for which the Client directs the use of a particular broker if we believe that this choice would hinder either our fiduciary duty to the Client or our ability to service the account.

We receive research and other products and services other than execution from TDA and Geneos in connection with Client securities transactions. Their services include research, brokerage, custody, access to mutual funds and other investments that are otherwise available only to institutional investors or would require a significantly higher minimum initial investment. Both TDA and Geneos also make available to TPGFA other products and services that benefit us but may not directly benefit Client accounts. Some of these other products and services assist us in managing and administering Clients’ accounts. These include software and other technology that provide access to Client account data (such as trade confirmation and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple Client accounts), provide research, pricing information and other market data, facilitate payment of our fees from Client accounts and assist with back-office support, recordkeeping and Client reporting. Many of these services generally may be used to service all or a substantial number of TPGFA’s accounts, including accounts not maintained at either TDA or Geneos.

Geneos and TDA may also provide TPGFA with other services intended to help us manage and further develop their respective business enterprises. These services may include consulting, publications and presentations on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, both firms may make

available, arrange and/or pay for these types of services to TPGFA by independent third-parties. TDA and Geneos may discount or waive fees that it would otherwise charge for some of these services, or pay all or a part of the fees charged by a third-party for providing these services to us. The availability of the foregoing products and services is not contingent on TPGFA committing to either TDA or Geneos any specific amount of business (assets in custody or trading).

Subject to Section 28(e) of the Securities Exchange Act of 1934, as amended ("Exchange Act"), we may recommend broker-dealers who charge transaction fees that are in excess of the amount of transaction fees charged by other broker-dealers in recognition of their research, seminar and execution services. These benefits are generally considered to be "soft dollar" arrangements. But for soft dollar arrangements, we would have to obtain these types of services and products for cash. As a result of receiving such products and services for no cost, we have an incentive to recommend broker-dealers to Clients that offer soft dollar arrangements. Further, as previously disclosed in Items 5E and 10 (above), certain Investment Adviser Representatives of TPGFA are also Registered Representatives of Geneos and receive commissions for effecting securities transactions in Client accounts held at Geneos' Broker-Dealer. Finally, Cheryl Olson, a member of TPGFA, is a minority, non-controlling shareholder of Geneos.

Because the above interests are in conflict with the Clients' interest of obtaining the lowest commission rate available, TPGFA is required to periodically evaluate, and has determined in good faith, based on the "best execution" policy stated above that transaction fees are reasonable in relation to the value of the services provided. Further, all Clients are fully informed that certain individuals may receive separate compensation when effecting transactions through Geneos. .

**B** TPGFA may aggregate trades for Clients. The allocations of a particular security will be determined by TPGFA before the trade is placed with the broker. When practical, Client trades in the same security will be bunched in a single order (a "block") in an effort to obtain best execution at the best security price available. When employing a block trade:

- TPGFA will make reasonable efforts to attempt to fill Client orders by day-end.
- If the block order is not filled by day-end, TPGFA will allocate shares executed to underlying accounts on a pro rata basis, adjusted as necessary to keep Client transaction costs to a minimum.
- If a block order is filled (full or partial fill) at several prices through multiple trades, an average price and commission will be used for all trades executed;
- All participants receiving securities from the block trade will receive the average price.
- Only trades executed within the block on the single day may be combined for purposes of calculating the average price.

It is expected that this trade aggregation and allocation policy will be applied consistently. However, if application of this policy results in unfair or inequitable treatment to some or all of TPGFA's Clients, TPGFA may deviate from this policy.

### Item 13 – Review of Accounts

- A** Accounts are reviewed by the Investment Advisor Representative assigned to the account and separately by Carrie McHale, Director of Compliance, or another qualified compliance staff member. Ms. McHale is also the firm’s Chief Compliance Officer and is responsible for overseeing all investment advisory activities for the firm.

The frequency of reviews is determined based on the Client's investment objectives. Accounts are reviewed no less than annually.

- B** More frequent reviews may be triggered by a change in Client's investment objectives; tax considerations; large deposits or withdrawals; large sales or purchases; loss of confidence in corporate management; or, changes in the economic climate.
- C** Investment advisory Clients receive standard account statements from the custodian of their accounts on a quarterly, or in some cases, monthly basis. TPGFA may also provide Clients with periodic written reports summarizing the account activity and performance. Along with these reports, we discuss comparisons to indices performance, as well as asset allocation of the portfolio compared to portfolio target allocations.

Financial Planning Clients do not normally receive investment reports, unless we also provide investment management services for the Client. Financial Planning Clients can initiate reviews with us if they have changes in their personal circumstances or concerns.

### Item 14 – Client Referrals and Other Compensation

As disclosed under Items 5, 10 and 12 above, representatives of TPGFA, may also be licensed as Registered Representatives with Geneos and are also licensed with The Partners Group, an affiliated entity, to sell insurance. The conflicts of interest these arrangements present and how we deal with these conflicts are described in detail under Section 5E, above.

Also disclosed under Items 5 and 10 above, TPGFA may receive payment from unrelated third parties for referring Clients to a TPAM or sub-advisor. The conflicts of interest this type of arrangement presents and how we deal with these conflicts are described in detail under Section 10, above.

Disclosed under Item 12, above, TPGFA may receive “soft dollars” from an unrelated third party custodian or broker-dealer. The conflicts of interest this type of arrangement presents and how we deal with these conflicts are described in detail under Section 12, above.

### Item 15 – Custody

TPGFA does not have custody of the assets in Client accounts and does not assume liability to the Client for any loss or other harm to any property in the account resulting from the insolvency of the custodian or any acts of the agents or employees of the custodian or other third parties to the account, regardless of whether the full amount or such loss is covered by the Securities Investor Protection Corporation (“SIPC”) or any other insurance which may be carried. The Client understands that SIPC provides only limited protection for the loss of property held by a custodian.

### **Item 16 – Investment Discretion**

Clients invested using TPAM’s have granted the TPAM discretionary authority over their accounts, allowing them to make trades and changes to investments without obtaining prior approval. TPG financial advisors do not have discretion over TPAM managed money. Advisors will monitor investments and perform due diligence on money managers to ensure client investments continue to fall in line with their objectives and suitability. They will offer recommendations on replacing investment managers and/or TPAM’s when appropriate to keep clients within their risk profile. Clients must give permission to an advisor before any change will be made on individual managers or in TPAM platforms.

As noted above, when Client funds are managed utilizing our in-house proprietary asset allocation models, Clients grant us ongoing and continuous discretionary authority to execute their investment recommendations in accordance with our Statement of Investment Policy (or similar documents used to establish Client’s objectives and suitability). Under this authority, Clients allow us to purchase and sell securities and instruments in this account, arrange for delivery and payment in connection with the foregoing, select and retain sub-advisors, and act on their behalf in most matters necessary or incidental to the handling of the account, including monitoring certain assets.

### **Item 17 – Voting Client Securities**

- A** Without exception, we do not vote proxies on behalf of Clients. Additionally, we will not provide advice to Clients on how they should vote.
- B** We do not have authority to vote Client securities. Clients will receive proxies and other solicitations directly from the custodian or transfer agent. If any proxy materials are received on behalf of a Client, they will be forwarded to the Client, who is responsible to vote.

### **Item 18 – Financial Information**

- A** Fixed fee financial planning generally requires one half of the fixed fee payment to be paid in advance, with the balance due upon completion. However, we do not require or solicit the prepayment of fees more than \$1,200.00, more than six months in advance from any Client.
- B** As noted in Item 15 above, we do not have custody of Client’s funds or securities, excepting the ability to deduct fees. We do manage some Client assets on a discretionary basis, however,

we have no financial commitments which would impair our ability to meet the contractual and fiduciary commitments to our Clients.

- C** Neither TPGFA, nor any of the principals, have been the subject of a bankruptcy petition at any time.

## Exhibit A – Summary of Material Changes

This Exhibit discusses only specific material changes that have been made to our Brochure since February 19, 2016. Since that date we have made the following material changes:

- Item 4: Bruce E.W. Kerr is retired and is no longer a shareholder of The Partners Group, LTD, the entity that owns TPG Financial Advisors, LLC.
- Item 5: This item has been revised to update: (i) our fees and how they are billed; (ii) the services we provide to our clients; and (iii) how we bill fees for services upon termination of an advisory agreement.
- Item 8: This item has been revised to update disclosures about types of investments, investment strategy, and risk of loss and the definition of bonds has been expanded to include additional risk factors.
- Item 10: This item has been revised to update the firm's shareholder information.
- Item 12: The explanation of the use of broker dealers has been expanded to include information regarding fixed income transactions
- Item 16: This item has been amended to update disclosures about our investment discretion.

Whenever required, we will provide a Summary of Material Changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

If you have any questions about the contents of this Summary of Material Changes to our Brochure, you may contact us at (503) 241-9550 or [cmchale@tpgrp.com](mailto:cmchale@tpgrp.com).