

## **Firm Brochure**

(Part 2A of Form ADV)

### **MONUMENT FINANCIAL ADVISORS, LLC**

**801 MAIN STREET SUITE 14**

**CONCORD, MA 01742**

**Phone: 978-369-7705**

**Fax: 978-287-4208**

**[www.monumentfa.com](http://www.monumentfa.com)**

**[Imcgowan@monumentfa.com](mailto:Imcgowan@monumentfa.com)**

This brochure provides information about the qualifications and business practices of MONUMENT FINANCIAL ADVISORS, LLC. If you have any questions about the contents of this brochure, please contact us at: 978-369-7705, or by email at: [Imcgowan@monumentfa.com](mailto:Imcgowan@monumentfa.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.

Additional information about MONUMENT FINANCIAL ADVISORS, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

MARCH 31, 2011

## **ITEM 2: Material Changes**

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### **Annual Update**

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

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### **Material Changes since the Last Update**

The U.S. Securities and Exchange Commission issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative “plain English” format. The new final rule specifies mandatory sections and organization. This document has been revised to reflect this new rule.

The following material change has occurred since August 5, 2010, the date of the most recent updated Form ADV Part 2:

Effective March 30, 2011, Lee C. McGowan was appointed the new Chief Compliance Officer of MFA pursuant to Rule 206(4)-7 under the Investment Advisors Act.

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### **Full Brochure Available**

A complete copy of our Firm Brochure is available upon request. Please contact us by telephone at: 978-369-7705 or by email at: [bwoodman@monumentfa.com](mailto:bwoodman@monumentfa.com) or [lmcgowan@monumentfa.com](mailto:lmcgowan@monumentfa.com).

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## ITEM 4: Advisory Business

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### **Firm Description**

MONUMENT FINANCIAL ADVISORS, LLC, (“MFA”) was founded in 2001.

MFA provides financial planning and investment management to individuals, pension and profit sharing plans, trusts, estates, and charitable organizations or other business entities. Advice is provided through consultation with the client and may include: determination of financial objectives, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

MFA is a fee-only financial planning and investment management firm. The firm’s compensation is solely from fees paid directly by clients. The firm does not earn commissions from the sale of annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. No commissions in any form are accepted. No finder’s fees are accepted.

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### **Principal Owners**

Byron E. Woodman, Jr. is a 100% shareholder.

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### **Types of Advisory Services**

MFA provides investment supervisory services, also known as asset management services and furnishes investment advice through consultations with clients. See various types of services under “Types of Agreements.”

On more than an occasional basis, MFA furnishes advice to clients on matters not involving securities, such as financial planning matters, taxation issues, and trust services that often include estate planning.

As of DATE, MFA manages approximately \$203,900,118 in assets for approximately 73 clients. Approximately \$201,434,127 is managed on a discretionary basis, and \$2,465,991 is managed on a non-discretionary basis.

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### **Tailored Relationships**

MFA’s advisory services are tailored to the individual needs of clients. The goals and objectives for clients are discussed and clarified in meetings with clients and via correspondence. Investment policy statements are created that reflect the stated goals and objectives of each client.

Clients may impose restrictions on investing in certain securities or types of securities. If restrictions are imposed by a client, the restrictions will be noted in the client’s investment policy statement.

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## **Types of Agreements**

The following agreements define the typical client relationships.

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### **1. Financial Planning**

MFA provides advice in the form of a Financial Plan. Financial Planning clients receive a detailed financial plan designed to achieve their stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern:

- **PERSONAL:** Family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** Income tax and spending analysis and planning for past, current and future years. MFA will illustrate the impact of various investments on a client's current income tax and future tax liability.
- **DEATH & DISABILITY:** Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.
- **RETIREMENT:** Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.
- **INVESTMENTS:** Analysis of investment alternatives and their effect on a client's portfolio.

MFA gathers required information through in-depth personal interviews. Information gathered includes a client's current financial status, future goals and attitudes towards risk. Related documents (including detailed financial questionnaires) supplied by the client are carefully reviewed. Should a client choose to implement the recommendations contained in the plan, MFA suggests the client work closely with his/her attorney, accountant, insurance agent, and/or financial advisor. Implementation of financial plan recommendations is entirely at the client's discretion. Financial plan recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company.

**Fee Schedule:** MFA charges clients in one or both of the manners listed below, upon mutual agreement with the client, for this service:

a) **Fixed Fee:** MFA may charge a fixed fee, typically ranging from \$500 to \$15,000, depending on the nature and complexity of each client's circumstances and upon mutual agreement with the client. Up to 50% of this fee may be due upon signing the advisory agreement, with the balance due as earned and billed to the client; and/or

b) **Hourly Fee:** MFA may charge on an hourly basis, ranging from \$100 to \$500 per hour, depending on the nature and complexity of each client's circumstances and upon mutual agreement with the client. An estimate for

total hours may be determined at the start of the advisory relationship. Up to 50% of the estimated fee may be due upon signing the advisory agreement, with the balance (based on actual hours) due as earned and billed to the client.

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## **2. Wealth Management Planning (Family Office Service)**

MFA works with high net worth individuals to collect information on their financial affairs and business interests in order to design a plan for their overall wealth management.

Working with professionals from various disciplines, MFA addresses the opportunities and dangers which face the clients and develops a plan, which once approved by the client will be adopted by specific professionals selected by the client. If the client chooses, some legal matters may be carried out by Woodman & Eaton, P.C. (hereinafter "W&E"), a law firm which is related by common control and ownership to MFA.

Once a Wealth Management Plan has been implemented, MFA offers the service of a "Family Office." This is not necessarily a location, though it could be. Its primary purpose is to maintain and monitor the client's Financial Portfolio Designs established in the Wealth Management Plan. Clients are free to select any professional, or group of professionals, to carry out the Family Office function. However, MFA can perform this function if so engaged by the client. MFA will organize, implement, and administer the family financial structure in accordance with the family's unique set of values and objectives set forth in the governing instruments prepared in the Wealth Management Plan, or by the client's legal counsel. MFA will also monitor the terms and conditions of structured entities created under the Wealth Management Plan, including, the supervision of tax and information return filing.

MFA's administration of the Family Office may include (but is not limited to) one or more of the following, depending on the client's needs and circumstances:

- a) Assist the client in the establishment of custodial accounts and investment management relationships; and/or
- b) Monitor these accounts and relationships to assure compliance with the specific Investment Policy Statement adopted by the client; and/or
- c) Establish appropriate benchmarks for investment performance measurements and provide for adaptation to changing conditions and family objectives; and/or
- d) Maintain documents, records, comprehensive financial information, and current information about investment strategies and tax matters.
- e) Portfolio Management as described above.

**Fee Schedule:** MFA usually charges a flat fee for the design of the Wealth Management Plan and may charge a flat fee for administering the implementation of the design by the selected professionals. The amount and aspect of any such fee would be mutually agreed upon in advance in writing. Once a Wealth Management Plan has been implemented, MFA offers the service of a "Family Office".

For any Portfolio Management services offered to a Family Office, MFA will charge a fee based on assets under management.

The fee will typically range from 0.25% to 0.75% per year, and Family Office clients will be invoiced in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the client's account at the end of the previous quarter. MFA will quote an exact percentage to each client based on both the nature and total dollar value of that account, as set forth in the client agreement.

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### **3. Portfolio Management**

MFA provides investment supervisory services through its portfolio management service, defined as giving continuous advice to a client or making investments for a client based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, MFA develops a client's personal investment policy and creates and manages a portfolio based on that policy. MFA will manage advisory accounts on a discretionary basis. Account supervision is guided by the stated objectives of the client, and his/her stated tolerance for risk.

MFA performs a management search of various independent registered investment advisers (hereinafter Sub-advisor) who will manage specific portions of the client's account, on behalf of the client. MFA will determine which Sub- Advisor is appropriate for the client based on the individual needs and circumstances of the client. Factors considered in making this determination include the sum of investments relative to the total dollar value of the client's advisory portfolio, the client's stated risk tolerance, the client's prior experience with investments, the client's opinion of the recommended Sub-advisor, and the investment philosophy of the Sub-advisor.

MFA will allocate the client's assets to/from the Sub-advisor, taking into consideration those objectives identified in the client's personal investment policy and the overall management style selected by the client. The Sub-advisor will determine portfolio weighting within the asset class based on the explicit goals and objectives of the client.

The Sub-advisor may use money market mutual funds to sweep unused cash balances until they can be appropriately invested. The client may (or may not) have the opportunity to place reasonable restrictions on the types of investments that may be purchased by the Sub-advisor, on behalf of the



client. The client will retain individual ownership of all assets. The Sub-advisor may (or may not) have the discretion to select the broker-dealer on behalf of the client. The client should refer to the Sub-advisors Form ADV Disclosure Document (or other disclosure brochure in lieu of the Form ADV Disclosure Document) for information regarding the practices of that Sub-advisor.

Where MFA engages a Sub-advisor on behalf of the client, MFA will provide the client with a copy of the Sub-advisor's Form ADV Disclosure Document (or other disclosure brochure in lieu of the Form ADV Disclosure Document) and Privacy Statement.

However, MFA considers itself the client's primary contact and requests it convey all communications to/from the Sub-advisor.

MFA will continuously monitor the Sub-advisor, on behalf of the client. MFA will meet with the client at periodic intervals, as determined by the client and MFA, to review the performance of the Sub-advisor.

Due to the nature of the relationship between MFA and the Sub-advisor, and the nature of the relationship between MFA and the client, MFA will have the discretion to hire/fire the Sub-advisor, on behalf of the client, without prior specific notice to the client. As such, if MFA determines that the Sub-advisor is performing inadequately and/or is managing the client's account in a manner inconsistent with the client's explicit goals and objectives, then MFA may fire the Sub-advisor. MFA may then perform a subsequent management search of other Sub-advisors, determine the appropriate Sub-advisor, and hire the new Sub-advisor on behalf of the client.

MFA may also provide investment monitoring and reporting services in combination with its portfolio management service, defined as systematically reviewing certain investments specified by the client and reporting on the performance of those investments. This service is typically provided to those client investments that MFA is not directly managing. MFA's primary responsibility within this service is to monitor and report on the specified investments. MFA is not obligated to provide any investment advice as part of this portion of the service. The client will receive periodic reports (depending on which interval the client contracts for at the inception of the advisory relationship). If the client chooses, some legal matters may be carried out by Woodman & Eaton, P.C., a law firm which is related by common control and ownership to MFA.

***Fee Schedule:*** The annual fee for portfolio management services will be charged as a percentage of assets under management, generally ranging from 0.80% to 1.50%. MFA will quote an exact percentage to each client, depending on the nature and total dollar value of that account. The fee will be allocated between MFA and any Sub-advisor it associates with on the client account. This fee is exclusive of any internal mutual fund fees, as disclosed in the General Information on Fees and Services section of this Schedule F.

A minimum account size of \$1,000,000 of assets under management is required for this service.

Under certain circumstances this minimum account size requirement may be negotiable. At MFA's discretion, MFA may aggregate related accounts to meet this minimum requirement.

Clients will be invoiced in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter.

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#### **4. Money Manager Search and Monitoring**

Under limited circumstances MFA may perform management searches of various independent registered investment advisers, who pay a portion of the advisory fee to MFA, on behalf of a client. Based on a client's individual circumstances and needs, MFA will determine which independent adviser's portfolio management is appropriate for that client. Factors considered in making this determination include account size, risk tolerance, the opinion of each client and the investment philosophy of the independent adviser. Clients should refer to the independent adviser's disclosure document for a full description of the services offered. MFA will meet with the client on a regular basis, or as determined by the client, to review the account.

If MFA believes that a particular independent adviser is performing inadequately, or if MFA believes that a different manager is more suitable for a client's particular needs, then MFA may suggest that the client contract with a different adviser.

Under this scenario, MFA will assist the client in selecting a new adviser, and then monitor that adviser's performance. However, any move to a new manager is solely at the discretion of the client.

**Fee Schedule:** Contractually, MFA will be paid by the client. The exact fee will be agreed upon at the time the Client signs the advisory agreement, and is payable quarterly in advance. MFA is authorized to invoice each client's custodian directly for its fees, although it will simultaneously send a copy of its bill to the client. Clients are requested to refer to the independent investment adviser's disclosure document (Part 2a of Form ADV or other disclosure document in lieu of Part 2a) for a complete description of the fees charged by the independent investment adviser.

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#### **5. Consulting**

Clients can also receive investment advice on a more limited basis. This may include advice on only an isolated area(s) of concern such as tax planning, retirement planning, account consolidation/implementation, or any other specific topic. MFA also provides specific consultation and administrative services regarding investment and financial concerns of the client. Additionally, MFA provides advice on non-securities matters. Generally, this is

in connection with the rendering of tax planning, insurance, and/or annuity advice. Consulting recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company.

**Fee Schedule:** MFA charges clients in one or both of the manners listed below, upon mutual agreement with the client, for this service:

a) Fixed Fee: MFA may charge a fixed fee, typically ranging from \$500 to \$15,000, depending on the nature and complexity of each client's circumstances and upon mutual agreement with the client. Up to 50% of this fee may be due upon signing the advisory agreement, with the balance due as earned and billed to the client; and/or

b) Hourly Fee: MFA may charge on an hourly basis, ranging from \$100 to \$500 per hour, depending on the nature and complexity of each client's circumstances and upon mutual agreement with the client. An estimate for total hours may be determined at the start of the advisory relationship. Up to 50% of the estimated fee may be due upon signing the advisory agreement, with the balance (based on actual hours) due as earned and billed to the client.

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## **Asset Management**

Assets are invested primarily in no-load or low-load mutual funds and exchange-traded funds, usually through discount brokers or fund companies. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Discount brokerages may charge a transaction fee for the purchase of some funds.

Stocks and bonds may be purchased or sold through a brokerage account when appropriate. The brokerage firm charges a fee for stock and bond trades. MFA does not receive any compensation, in any form, from fund companies.

Investments may also include: equities (stocks), warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (variable life insurance, variable annuities, and mutual funds shares), U. S. government securities, options contracts, futures contracts, and interests in partnerships.

Initial public offerings (IPOs) are not available through MFA.

For portfolio management and wealth management planning (family office) clients, the debt securities that MFA may acquire on behalf of certain client accounts include both U.S., and non-U.S. mortgage-backed and asset-backed securities.

Where MFA engages a Sub-advisor on behalf of the client, MFA will provide the client with a copy of the Sub-advisor's Form ADV Disclosure Document (or other disclosure brochure in lieu of the Form ADV Disclosure Document). Clients should refer to the Sub-advisor's Form ADV Disclosure Document for

information on the types of investments used by that Sub-advisor in servicing client accounts.

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### **Termination of Agreement**

A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days prior written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

Each aforementioned agreement may also have its own specific termination agreement. Please see individual agreements for that specific information.

## **Fees and Compensation**

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### **Description**

MFA bases its fees on a percentage of assets under management, hourly charges, fixed fees (not including subscription fees).

Financial plans are priced according to the degree of complexity associated with the client's situation.

In certain circumstances, fees and account minimum requirements may be negotiable.

Each aforementioned agreement has its own specific fee arrangement. Please see individual agreements for that specific information.

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### **Fee Billing**

Investment management fees are billed quarterly, in advance. Investment management fees are deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

Fee billing varies depending on the service provided to the client. For actual fee schedules see individual service agreements.

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### **Other Fees**

All fees paid to MFA for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund directly, without the services of MFA and they may pay a sales charge to invest in the mutual fund. In that case, the client would not receive the services provided by MFA which are designed, among other things, to assist

the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by MFA to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Custodians charge transaction fees upon purchase or sales of certain mutual funds, exchange-traded funds, stocks, and bonds. Transaction charges are disclosed to clients in the event that transaction fees apply.

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### **Past Due Accounts and Termination of Agreement**

MFA reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in MFA's judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded within 30 days.

## **Performance-Based Fees**

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### **Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed accounts.

MFA does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

## **Types of Clients**

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### **Description**

MFA generally provides investment advice to individuals, pension and profit sharing plans, trusts, estates, and charitable organizations, or other business entities.

Client relationships vary in scope and length of service.

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### **Account Minimums**

The minimum account size is \$1,000,000 of assets under management.

Clients with assets below the minimum account size may pay a higher percentage rate on their annual fees than the fees paid by clients with greater assets under management.

## Methods of Analysis, Investment Strategies and Risk of Loss

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### Methods of Analysis

Security analysis methods may include fundamental and technical analysis.

The main sources of information include financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

Other sources of information that MFA may use include Morningstar Principia mutual fund information, Morningstar Principia stock information, Charles Schwab & Company's research resources, the World Wide Web and other industry related materials including financial newsletters and periodicals.

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### Investment Strategies

The primary investment strategy used on client accounts is strategic asset allocation utilizing a structured asset class approach. This means that MFA uses passively-managed funds that are diversified across various asset classes (e.g., domestic large cap equities, small cap value equities). Portfolios are globally diversified to control the risk associated with traditional domestic markets.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement that documents their objectives and their desired investment strategy.

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### Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach manages the risk of loss. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## **Disciplinary Information**

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### **Legal and Disciplinary**

The firm and its management persons have not been involved in legal or disciplinary events related to past or present investment clients.

## **Other Financial Industry Activities and Affiliations**

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### **Financial Industry Activities**

MFA is not registered as, and no management person is a registered representative of, a securities broker-dealer, or a futures commission merchant, commodity pool operator or commodity trading advisor.

### **Affiliations**

MFA has arrangements that are material to its advisory business or its clients with a related person who is another investment advisor or a law firm.

Associated persons of MFA are also shareholders, attorneys, and/or employees of Woodman & Eaton P.C. ("W&E"), a law firm. W&E may recommend MFA to legal services clients in need of advisory services. MFA may recommend W&E to advisory clients in need of legal services. Legal services provided by W&E are separate and distinct from the advisory services of MFA, and are provided for separate and typical compensation. There are no referral fee arrangements between MFA and W&E for these recommendations. No MFA client is obligated to use W&E for any legal services, as no W&E client is obligated to use MFA for any advisory services. W&E may provide advisory services to its legal clients which are incidental to the practice of law.

W&E is the entity through which Mr. Woodman acts as trustee for various trusts. W&E is not itself a "trust company," nor is W&E named as "trustee" to any trust. Mr. Woodman, when working in his capacity as trustee through the W&E platform, may recommend MFA to trust clients in need of advisory services. MFA may recommend Mr. Woodman when working in his capacity as trustees through the W&E platform, to advisory clients in need of trust services. Trust services provided by Mr. Woodman when working in his capacity as trustee through the W&E platform are separate and distinct from the advisory services of MFA, and are provided for separate and typical compensation.

There are no referral fee arrangements between MFA and W&E for these recommendations. No MFA client is obligated to use Mr. Woodman when working in his capacity as trustee through the W&E platform for any trust service, as no trust client is obligated to use MFA for any advisory services.

## **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

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### **Code of Ethics**

MFA has adopted a Code of Ethics that sets forth high ethical standards of business conduct that the MFA requires of its related persons, including compliance with applicable federal securities laws. MFA's Code of Ethics also includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by MFA's covered persons. Among other things, MFA's Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. MFA's Code also includes oversight, enforcement and recordkeeping provisions. A copy of MFA's Code of Ethics is available to MFA's advisory clients and prospective clients upon request to the Chief Compliance Officer at MFA's principal office address.



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### **Participation or Interest in Client Transactions**

MFA and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees comply with the provisions of the MFA *Compliance Manual*.

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### **Personal Trading**

The Chief Compliance Officer of MFA is Lee C. McGowan. Mr. McGowan reviews all employee trades each quarter. His trades are reviewed by President Byron E. Woodman, Jr. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

## **Brokerage Practices**

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### **Selecting Brokerage Firms**

MFA does not have any affiliation with product sales firms. Specific custodian recommendations are made to Clients based on their needs for such services. MFA recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

MFA recommends discount brokerage firms and trust companies (qualified custodians), such as Fidelity and Charles Schwab & Company.

MFA does not receive fees or commissions from any of these arrangements.

Each Sub-advisor utilized by MFA participates in the Institutional Programs sponsored by Fidelity Brokerage Services, Inc. and Charles Schwab & Company, both FINRA registered broker dealers. As MFA does not have the discretion to choose the broker dealer or the commission rates to be paid, clients must direct the use of a particular broker dealer. MFA typically requires that clients direct MFA, and therefore the Sub-advisor(s) utilized by MFA, to place all trades through either Fidelity or Schwab, as selected by the client. Under very limited circumstances, and only with MFA's approval, clients that direct the use of a broker dealer other than Schwab or Fidelity may be accepted. MFA has evaluated Fidelity & Schwab and believe that either will provide clients with a blend of execution services, commission costs and professionalism that will assist the Sub-advisor(s) in obtaining best execution for transactions.

While MFA has a reasonable belief that Fidelity and Schwab are able to obtain best execution and competitive prices, MFA and the Sub-advisor(s) will not be independently seeking best execution price capability through other broker dealers. MFA reserves the right to decline acceptance of any client account that directs the use of a broker dealer other than Fidelity or Schwab,

if MFA believes that this would adversely affect MFA's and the Sub-advisors duty to obtain best execution.

Similarly, Family Office clients that opt to contract with MFA for Portfolio Management services are required to direct MFA and the Sub-advisor(s) to place trades for the client's account through Fidelity or Schwab.

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**Best Execution**

MFA reviews the execution of trades at each custodian periodically. Trading fees charged by the custodians are reviewed on a regular basis. MFA does not receive any portion of the trading fees.

## Review of Accounts

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**Periodic Reviews**

Account reviews are performed quarterly by advisors Byron E. Woodman, Jr., President, and Lee C. McGowan, Managing Director. Account reviews are performed more frequently when market conditions dictate.

**1. Portfolio Management/Money Manager Search and Monitoring:**

While the underlying securities within portfolio management and Money Manager Search and Monitoring service accounts are continuously monitored, these accounts will be formally reviewed at least quarterly by Mr. Woodman and Mr. McGowan. The review will be conducted to determine if the current investment holdings of the account are consistent with the client's investment objectives. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

**2. Wealth Management Planning (Family Office Service):**

While the underlying securities within wealth management planning (family office) service accounts are continuously monitored, these accounts will be formally reviewed at least quarterly by Mr. Woodman and Mr. McGowan. The review will be conducted to determine if the current investment holdings of the account are consistent with the client's investment objectives. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. Under certain circumstances, these accounts will receive additional reviews, as contracted for at the inception of the advisory relationship

**3. Financial Planning:**

These accounts will be reviewed as contracted for at the inception of the advisory relationship.

#### **4. Consulting:**

These accounts will be reviewed as contracted for at the inception of the advisory relationship.

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#### **Review Triggers**

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

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#### **Regular Reports**

##### **1. Portfolio Management:**

In addition to the monthly and/or quarterly statements and/or confirmations of transactions that portfolio service clients receive from their respective broker-dealer( s) and/or custodian(s), MFA and/or Sub-advisors will provide quarterly account performance reports to clients.

##### **2. Wealth Management Planning (Family Office Service):**

In addition to the monthly and/or quarterly statements and/or confirmations of transactions that wealth management planning (family office) service clients receive from their respective broker-dealer(s) and/or custodian(s), MFA and/or sub-advisors will provide quarterly account performance reports to clients.

##### **3. Financial Planning:**

These clients will receive reports as contracted for at the inception of the advisory relationship.

##### **4. Consulting:**

These clients will receive reports as contracted for at the inception of the advisory relationship.

##### **5. Money Manager Search and Monitoring:**

Clients of this service are requested to refer to the disclosure document of the recommended money manager for information on the reports these clients are to receive. MFA will provide no regular reports to these clients.

## **Client Referrals and Other Compensation**

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#### **Incoming Referrals**

MFA has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

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**Referrals to Other Professionals**

MFA does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

**Custody**

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**Account Statements**

All assets are held at qualified custodians, who provide account statements directly to clients at their address of record at least quarterly.

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**Performance Reports**

Clients should compare the account statements received directly from their custodians to the performance report statements provided by MFA and/or sub-advisors.

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**Net Worth Statements**

Clients are frequently provided net worth statements and net worth graphs that are generated from our client relationship management system. Net worth statements contain approximations of bank account balances provided by the client, as well as the value of land and hard-to-price real estate. The net worth statements are used for long-term financial planning where the exact values of assets are not material to the financial planning tasks.

**Investment Discretion**

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**Discretionary Authority for Trading**

MFA and/or the sub-advisors accepts discretionary authority to manage investment accounts on behalf of clients. MFA has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. Upon a client's request, MFA will provide the opportunity for the client to review and discuss the investment recommendations prior to the implementation.

Discretionary trading authority facilitates placing trades in client accounts so that the investment policy may be implemented promptly. This discretionary trading authority is provided to MFA and sub-advisors upon the client signing the investment management agreement and a limited power of attorney included in the qualified custodian's account application.

## Voting Client Securities

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### Proxy Votes

MFA does not vote proxies on securities. Clients will receive proxies at their address of record directly from the custodian and can elect to vote proxies if they so desire. Clients are encouraged to contact MFA if they have questions relating to a particular proxy or proxies in general.

## Financial Information

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### Financial Condition

MFA does not have any financial conditions that are reasonably likely to impair the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because MFA does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, six months or more in advance.

## Brochure Supplement (Part 2B of Form ADV)

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### **Byron Ewart Woodman, Jr., President**

Educational Background:

- Date of birth: 1944
- Institutions
  - Boston University, B.A. in Accounting 1966
  - Suffolk University School of Law, J.D. 1969
  - Boston University School of Law, LL.M 1976

Business Experience:

- President, Monument Financial Advisors, LLC (2001 – Current)
- Attorney, Woodman & Eaton P.C. (1980 - Current)
- Admitted to the Bar of Commonwealth Massachusetts (1970 – Current)

Disciplinary Information: None

Other Business Activities: Yes

Disclosure on Outside Business Activities is provided in Form ADV Part 2A Item 10 – Other Financial Industry Activities and Affiliations above. Mr. Woodman is 100% shareholder of Woodman & Eaton, P.C., a law firm specializing in estate planning.

Additional Compensation: None

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

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### **Lee C. McGowan, Managing Director, Chief Compliance Officer**

Educational Background:

- Date of birth: 1971
- Institutions
  - Hanover College, B.A. 1993
  - CERTIFIED FINANCIAL PLANNER™ designation earned in 2002. Studies through College of Financial Planning and Northeastern.
  - Chartered Financial Analyst Level 2 examination passed in June 2009.

Business Experience:

- Managing Director, Chief Compliance Officer, Monument Financial Advisors (2010 – Current)
- Vice President, TFC Financial Management (2004 -2010)
- Financial Advisor, Wachovia Securities (2000 – 2004)
- Financial Advisor, PaineWebber (1998 – 2000)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Lee C. McGowan is supervised by Byron E. Woodman, Jr., President. He reviews Lee's work through frequent office interactions as well as remote interactions. He also reviews Lee's activities through our client relationship management system.

Byron E. Woodman, Jr. contact information:

Phone: 978.369.7705

Email: bwoodman@monumentfa.com

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None