

**ITEM 1. COVER PAGE FOR  
PART 2A OF FORM ADV:  
FIRM BROCHURE  
DATED MARCH 21, 2017**

**TURMAN FINANCIAL GROUP, LLC  
343 NW 7<sup>th</sup> STREET  
CORVALLIS, OR 97330**

**FIRM CONTACT: JOHN M. TURMAN, MANAGING MEMBER AND CHIEF  
COMPLIANCE OFFICER**

**FIRM WEBSITE: WWW.TURMANFINANCIAL.COM**

**This brochure provides information about the qualifications and business practices of Turman Financial Group, LLC. If you have any questions about the contents of this brochure, please contact by telephone at (541)753-2262 or email at [john@turmanfinancial.com](mailto:john@turmanfinancial.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 Turman Financial Group, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Turman Financial Group, LLC's CRD number is 151121.**

**Please note that the use of the term "registered investment adviser" and description of Turman Financial Group, LLC and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.**

**Item 2. Material Changes to Our Part 2A of Form ADV:**  
**Firm Brochure**

**Turman Financial Group, LLC** is required to advise you of any material changes to our Firm Brochure (“Brochure”) from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. Please note that we do not have to provide this information to a client or prospective client who has not received a previous version of our brochure.

The material changes in this brochure from the last annual updating amendment of Turman Financial Group, LLC on February 11, 2016, are described below. Material changes relate to Turman Financial Group, LLC’s policies, practices or conflicts of interests.

- Turman Financial Group, LLC has modified Item 5.
- Turman Financial Group, LLC offers Hourly Rate Consulting Fees. Item 5.

**Item 3. Table of Contents:**

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#### **Item 4. Advisory Business**

We specialize in the following types of services: Asset Management Services, Financial Planning and Consulting, and 401K Pension Consulting Services.

A. Description of our advisory firm, including how long we have been in business and our principal owner(s)<sup>1</sup>.

We are dedicated to providing individuals and other types of clients with a wide array of investment advisory services. Our firm is a limited liability company formed in the State of Oregon. Our firm has been in business as an investment adviser since 2009 and is owned 100% by John M. Turman.

B. Description of the types of advisory services we offer.

(i) Asset Management:

We offer Asset Management through wrapped accounts only. Please see our separate Wrap Asset Management Agreement for complete information regarding this advisory service.

(ii) Financial Planning and Consulting:

Financial Planning services are provided on a non-discretionary basis. We provide a variety of financial consulting services to individuals, families and other clients regarding the management of their financial resources based upon an analysis of client's current situation, goals, and objectives. Generally, this service will include rendering a financial consultation for clients based on the client's financial goals and objectives. This consulting service may encompass one or more of the following areas: Investment Planning, Retirement Planning, Estate Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Cost Segregation Study, Corporate Structure, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, Lines of Credit Evaluation, Business and Personal Financial Planning.

Our financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. For example, recommendations may be made that the clients begin or revise investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter

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<sup>1</sup> Please note that: (1) For purposes of this item, our principal owners include the *persons* we list as owning 25% or more of our firm on Schedule A of Part 1A of Form ADV (Ownership Codes C, D or E). (2) If we are a publicly held company without a 25% shareholder, we simply need to disclose that we are publicly held. (3) If an individual or company owns 25% or more of our firm through subsidiaries, we must identify the individual or parent company and intermediate subsidiaries. If we are a state-registered adviser, on Form ADV Part 2A Page 2, we must identify all intermediate subsidiaries. If we are an SEC-registered adviser, we must identify intermediate subsidiaries that are publicly held, but not other intermediate subsidiaries.

retirement savings, or establish education or charitable giving programs. It should also be noted that we refer clients to an accountant, attorney or other specialist, as necessary for non-advisory related services. For financial consulting engagements, we usually do not provide our clients with a written summary of our observations and recommendations as the process is less formal than our planning service. Consultations are typically completed within six (6) months of the client signing a contract with us, assuming that all the information and documents we request from the client are provided to us promptly. Implementation of the recommendations will be at the discretion of the client.

(iii) 401K Pension Consulting

We provide non-discretionary pension consulting services to employer plan sponsors on a one-time or ongoing basis. Generally, such pension consulting services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure and participant education.

All pension consulting services shall be in compliance with the applicable state law(s) regulating pension consulting services. This applies to client accounts that are pension or other employee benefit plans ("Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the client accounts are part of a Plan, and we accept appointments to provide our services to such accounts, we acknowledge that we are a fiduciary within the meaning of Section 3(21) of ERISA (but only with respect to the provision of services described in section 1 of the Pension Consulting Agreement).

C. Explanation of whether (and, if so, how) we tailor our advisory services to the individual needs of clients, whether clients may impose restrictions on investing in certain securities or types of securities.

(i) Individual Tailoring of Advice to Clients:

We offer general investment advice to clients utilizing the following services offered by our firm: Financial Planning and Consulting, and 401K Pension Consulting service.

(ii) Ability of Clients to Impose Restrictions on Investing in Certain Securities or Types of Securities:

Knowing that this is not possible in every case due to the level of difficulty this would sometimes entail in managing their account(s), we may make reasonable efforts to allow clients to impose restrictions on investing in certain securities or types of securities

D. Participation in wrap fee programs.

Our wrap fee and non-wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. We do not manage

wrap fee accounts in a different fashion than non-wrap fee accounts. Non-wrap fee accounts will not be included in the calculation of advisory fees.

As further described in our Wrap Fee Asset Management Agreement, we receive a portion of the wrap fee for our services.

E. Disclosure of the amount of *client* assets we manage on a *discretionary* basis and the amount of *client* assets we manage on a *non-discretionary* basis

We manage<sup>2</sup> \$ 10,584,000.00 on a discretionary basis and \$ 19,074,000.00 on a non-discretionary basis as of December 2016.

**Item 5. Fees and Compensation**

We are required to describe our brokerage, custody, fees and fund expenses so you will know how much you are charged and by whom for our advisory services provided to you. Our fees are generally not negotiable.

A. Description of how we are compensated for our advisory services provided to you.

(i) Asset Management Fees:

<b>Total Assets</b>	<b>Maximum Annual Fee</b>
<b>Less than \$25k</b>	<b>2.00%</b>
<b>\$25-50k</b>	<b>1.75%</b>
<b>\$50-75K</b>	<b>1.50%</b>
<b>\$75-100K</b>	<b>1.25%</b>
<b>\$100k or more</b>	<b>1.00%</b>

The client pays only the wrap fee. We pay all transaction costs. The wrap fee covers investment management and client communication services.

Payments are deducted from client accounts by the custodian at our direction. One quarter of the annual fee is assessed quarterly based on the account value on the last day of the quarter.

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<sup>2</sup> Please note that our method for computing the amount of “*client* assets we manage” can be different from the method for computing “assets under management” required for Item 5.F in Part 1A of Form ADV. However, we have chosen to follow the method outlined for Item 5.F in Part 1A of Form ADV. If we decide to use a different method at a later date to compute “*client* assets we manage,” we must keep documentation describing the method we use and inform you of the change. The amount of assets we manage may be disclosed by rounding to the nearest \$100,000. Our “as of” date must not be more than three months before the date we last updated our *Brochure* in response to Item 4.E of Form ADV Part 2A.

For accounts that are opened during a calendar quarter the fee is charged on a pro-rata basis assuming there are 91 days in a quarter.

For some clients we may deduct all or some of the fees against one account rather than each account individually based on circumstances that are reasonable and beneficial to the client. An example would be deducting fees for an IRA from a taxable account.

Each time a fee is directly deducted Client's account, we will concurrently:

- (i) Send the qualified custodian notice of the amount of the fee to be deducted from Client's account; and
- (ii) Send Client an invoice itemizing the fee, including the formula used to calculate the fee, the amount of assets under management the fee is based on, and the time period covered by the fee.

Fees on a particular account may differ from the schedule above. For example a client may have multiple accounts to add up to \$100K or more, though no single one does. Fees also may be negotiated or adjusted based on special circumstances.

Clients may terminate the agreement without penalty, for full refund of our fees, within five business days of signing the Investment Advisory Contract.

(ii) Financial Planning and Consulting Fees:

We charge on an hourly basis for limited engagement financial planning and consulting services. The hourly fee for these services is \$150 per hour. This fee is negotiable and the final fee schedule will be attached as in the Financial Planning Agreement. The total estimated fee, as well as the ultimate fee that we charge you, is based on the scope and complexity of our engagement with you.

Our financial planning is done at no additional cost to investment management clients. This is clearly indicated on our Financial Planning Agreement.

(iii) 401K Pension Consulting Fees:

*Asset-Based Fees*

Total Assets	Annual Fee
All Assets	0.25% - 1.00%

We charge an annual 0.25 to 1.00% asset-based fee paid quarterly for planning, participant education, and enrollment services. The actual fee is dependent upon the size of the plan, the number of participants, and the level and scope of these services.

### *Hourly Rate Consulting Fees*

Our firm can charge an hourly based fee, billed quarterly, for, but limited necessarily to, planning, plan design consultation, participant education, and enrollment services. The hourly rate is generally \$150 per hour.

### *Fixed Fees*

Our firm charges a negotiable fixed fee ranging from \$1,000 to \$10,000 for 401k Pension Consulting Only services, the total of which is dependent upon the level and scope of these services. The fixed fee is based upon our hourly rate.

Our firm charges a negotiable annual fixed fee to our client ranging from \$1,000 to \$30,000 for 401k Pension Consulting, Planning, and Participant Education services, the total of which is dependent upon the size of the plan, the number of participants, and the level and scope of these services. The fixed fee is based upon our hourly rate. These fees are negotiable.

## B. Description of whether we deduct fees from *clients'* assets or bill *clients* for fees incurred.

### (i) Payment of Asset Management Fees

We charge our asset-based fee quarterly in advance or in arrears at the client's election. Asset management fees are withdrawn directly from the client's accounts with client's written authorization or may be invoiced and billed directly to the client; clients may select the method in which they are billed.

### (ii) Payment of Financial Planning and Consulting Fees:

We require a retainer of fifty-percent (50%) of the ultimate financial planning or consulting fee with the remainder of the fee directly billed to you and due to us within thirty (30) days of your financial plan being delivered or consultation rendered to you. The retainer is a prepayment of fees for earned services to be rendered. Any unearned retainer fee would be refunded to the client in the event of termination, within fourteen days to the client via check, or return deposit back into the client's account. In all cases, we will not require a retainer exceeding \$500 when services cannot be rendered within 6 (six) months.

The financial planning agreement terminates when the client has received the agreed upon services. If the contract was based on an hourly fee, the fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination. The delivery of paid financial planning advice will be in written form.



(ii) Payment of 401K Pension Consulting Fees:

One half of the total estimated fixed fees are due and payable at the time our client's agreement is executed, the remainder of the fees are due upon the rendering of our 401k Pension Consulting Only service. 401k Pension Consulting Only services will be rendered to the clients within 6 months of the contract date, provided that all information needed to prepare the 401k Pension Consulting Only services have been promptly provided by our clients.

C. Description of any other types of fees or expenses clients may pay in connection with our advisory services, such as custodian fees or mutual fund expenses.

Wrap fee clients will not incur transaction costs for trades. More information about this is disclosed in our separate Wrap Fee Asset Agreement.

D. We must disclose if client's advisory fees are due quarterly in advance. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

We charge our advisory fees in advance. Clients may also select to have fees charged in arrears. In the event that you wish to terminate our services, we will refund the unearned portion of our advisory fee to you. Fees that are paid in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be deposited back into client's account within fourteen days.

The fee refunded will be equal to the balance of the fees collected in advance minus the daily rate\* times the number of days elapsed in the billing period up to and including the day of termination. (\*The daily rate is calculated by dividing the annual asset-based fee by 365.)

If the client transfers the account prior to being notifying us of the termination we stand to lose the fee earned for a partial quarter as we have no other mechanism for collecting it. Otherwise we would instruct the custodian to deduct a pro-rata fee for the days in the quarter the account was placed with us. You need to contact us in writing and state that you wish to terminate our services. Upon receipt of your letter of termination, we will proceed to close out your account and process a pro-rata refund of unearned advisory fees.

E. Commissionable securities sales.

We do not sell securities for a commission. In order to sell securities for a commission, we would need to have our associated persons registered with a broker-dealer. We have chosen not to do so.

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

We do not charge performance fees to our clients.

## **Item 7. Types of Clients and Account Requirements**

We have the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Pension and Profit Sharing Plans;
- Corporations, limited liability companies and/or other business types

Our requirements for opening and maintaining accounts or otherwise engaging us: There is no account minimum.

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

### **A. Description of the methods of analysis and investment strategies we use in formulating investment advice or managing assets.**

#### **Methods of Analysis:**

- **Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.
- **Technical analysis** involves the analysis of past market data; primarily price and volume.
- **Cyclical analysis** involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

#### **Investment Strategies we can, but not necessarily do, use:**

- **Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.
- **Short term trading** risks include liquidity, economic stability and inflation, in addition to the long term trading risks listed above. Frequent trading, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.
- **Short sales** entail the possibility of unlimited loss. An increase in the applicable securities' prices will result in a loss and, over time, the market has historically trended upward.

- **Margin transactions** use leverage that is borrowed from a brokerage firm as collateral. When losses occur, the value of the margin account may fall below the brokerage firm's threshold thereby triggering a margin call. This may force the account holder to either allocate more funds to the account or sell assets on a shorter time frame than desired.
- **Options** writing or trading involves a contract to purchase a security at a given price, not necessarily at market value, depending on the market. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value and the possibility of leveraged loss of trading capital due to the leveraged nature of stock options.

**Please note:**

Investing in securities involves risk of loss that *clients* should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.

B. Material Risks Involved:

Methods of Analysis

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

**Cyclical analysis** assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns and 2) if too many investors begin to implement this strategy, it changes the very cycles these investors are trying to exploit.

Our practices regarding cash balances in *client* accounts, including whether we invest cash balances for temporary purposes and, if so, how.

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments.

## **Item 9. Disciplinary Information**

We are required to disclose whether there are legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. There are a number of specific legal and disciplinary events that we must presume are material for this Item. If our advisory firm or a management person has been involved in one of these events, we must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in our or the management person's favor, or was reversed, suspended or vacated, or (2) the event is not material. For purposes of calculating this ten-year period, the "date" of an event is the date that the final order, judgment, or decree was entered, or the date that any rights of appeal from preliminary orders, judgments or decrees lapsed.

The SEC and/or State Regulators have not provided us with an exclusive list of material disciplinary events, which need to be disclosed. If our advisory firm or a management person has been involved in a legal or disciplinary event that is not specifically required to be disclosed, but nonetheless is material to a client's or prospective client's evaluation of our advisory business or the integrity of our management, we must disclose the event. Similarly, even if more than ten years has passed since the date of the event, we must disclose the event if it is so serious that it remains currently material to a client's or prospective client's evaluation of our firm or management.

We have determined that our firm and management have nothing to disclose under the aforementioned standard.

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

A. If you or any of your management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.

Neither the firm nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

B. If you or any of your management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.

Neither the firm nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

C. Description of any relationship or arrangement that is material to our advisory business or to our clients, that we or any of our management persons have with any related person<sup>3</sup> listed

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<sup>3</sup> Our **Related Persons** are any *advisory affiliates* and any *person* that is under common *control* with our firm. **Advisory Affiliate:** Our advisory affiliates are (1) all of our officers, partners, or directors (or any *person* performing similar functions); (2) all *persons* directly or indirectly *controlling* or *controlled* by us; and (3) all of our

below. We are required to identify the *related person* and if the relationship or arrangement creates a material conflict of interest with *clients*, describe the nature of the conflict and how we address it.

John Turman is a licensed insurance agent. From time to time, he will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. Turman Financial Group, LLC always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to purchase such services or products through any representative of Turman Financial Group, LLC in such individual's outside capacities. Less than 5% of Mr. Turman's time is spent on insurance activities.

Eric Appleton Cheney is a part-time Adjunct Instructor of Finance in the College of Business at

Eric Cheney is a licensed insurance agent in Oregon and Idaho. From time to time, he will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. Turman Financial Group, LLC always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to purchase such services or products through any representative of Turman Financial Group, LLC in such individual's outside capacities. Less than 5% of Mr. Cheney's time is spent on insurance activities.

Eric Appleton Cheney is a part-time Adjunct Instructor of Finance in the College of Business at Oregon State University. From time to time, he may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. Turman Financial Group, LLC always acts in the best interest of the client and clients are in no way required to utilize the services of any representative of Turman Financial Group, LLC in such individual's outside capacities.

- D. If we recommend or select other investment advisers for our *clients* and we receive compensation directly or indirectly from those advisers, or we have other business relationships with those advisers, we are required to describe these practices and discuss the conflicts of interest these practices create and how we address them.

We do not recommend third-party investment advisers. [The firm does, however, advise legacy accounts for which third party advisers are in place.]

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

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current *employees* (other than *employees* performing only clerical, administrative, support or similar functions). **Person:** A natural person (an individual) or a company. A company includes any partnership, corporation, trust, limited liability company ("LLC"), limited liability partnership ("LLP"), sole proprietorship, or other organization.

A. Brief description of our Code of Ethics adopted pursuant to SEC rule 204A-1 and offer to provide a copy of our Code of Ethics to any *client* or prospective *client* upon request.

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts<sup>4</sup>. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

### **Item 12. Brokerage Practices**

Our firm participates in the TD AMERITRADE Institutional program. TD AMERITRADE Institutional is a division of TD AMERITRADE, Inc. ("TD AMERITRADE") member FINRA/SIPC/NFA. TD AMERITRADE is an independent and unaffiliated SEC-registered broker-dealer and FINRA member. TD AMERITRADE offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Our firm receives some benefits from TD AMERITRADE through its participation in the program.

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<sup>4</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

As disclosed above, Adviser participates in TD AMERITRADE's institutional customer program and Adviser may recommend TD AMERITRADE to Clients for custody and brokerage services. There is no direct link between Adviser's participation in the program and the investment advice it gives to its Clients, although Adviser receives economic benefits through its participation in the program that are typically not available to TD AMERITRADE retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Adviser by third party vendors. TD AMERITRADE may also have paid for business consulting and professional services received by Adviser's related persons. Some of the products and services made available by TD AMERITRADE through the program may benefit Adviser but may not benefit its Client accounts. These products or services may assist Adviser in managing and administering Client accounts, including accounts not maintained at TD AMERITRADE. Other services made available by TD AMERITRADE are intended to help Adviser manage and further develop its business enterprise. The benefits received by Adviser or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD AMERITRADE. As part of its fiduciary duties to clients, the firm endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Adviser or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Adviser's choice of TD AMERITRADE for custody and brokerage services.

### **Item 13. Review of Accounts or Financial Plans**

A. Review of *client* accounts or financial plans, along with a description of the frequency and nature of our review, and the titles of our *employees* who conduct the review.

We review accounts on at least a quarterly basis for our clients subscribing to the following services: Wrap Accounts; 401K Pension Consulting. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives and investment policies, if applicable. Only our Financial Advisors or Portfolio Managers will conduct reviews. A review may or might not involve a contact with the client.

Financial planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. We do not provide ongoing services to financial planning clients, but are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc.

- B. Review of *client* accounts on other than a periodic basis, along with a description of the factors that trigger a review.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

- C. Description of the content and indication of the frequency of written or verbal regular reports we provide to *clients* regarding their accounts.

We generally provide quarterly performance reports to clients. Verbal reports to clients take place on at least an annual basis when we meet with clients which subscribe to our Portfolio Management service.

As also mentioned in Item 13A of this Brochure, financial planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately contract with us for a post-financial plan meeting or update to their initial written financial plan.

#### **Item 14. Client Referrals and Other Compensation**

- A. If someone who is not a *client* provides an economic benefit to our firm for providing investment advice or other advisory services to our *clients*, we must generally describe the arrangement. For purposes of this Item, economic benefits include any sales awards or other prizes.

We may receive compensation from third-party advisers to which we direct our clients.

Our firm may receive coaching services referrals from TD Ameritrade through our participation in TD Ameritrade Institutional Coaching Program. In addition to meeting the minimum eligibility criteria for participation in the TD Ameritrade Institutional Coaching Program, our firm may have been selected to participate in the TD Ameritrade Institutional Coaching Program based on the amount and potential profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of and unaffiliated with our firm and there is no employee or agency relationship between us. TD Ameritrade has established the TD Ameritrade Institutional Coaching Program as a means of assisting independent unaffiliated Advisors to grow and maintain their respective investment advisor business. TD Ameritrade does not supervise our firm and has no responsibility for our firm's management of client portfolios or our firm's other advice or services.

Our firm's participation in the TD Ameritrade Institutional Coaching Program raises potential conflicts of interest. We will encourage our clients to custody their assets at TD Ameritrade and whose client accounts are profitable at TD Ameritrade. Consequently, in order to participate in the TD Ameritrade Institutional Coaching Program, our firm may have an incentive to recommend to our clients that the assets under management by our firm be held in custody with TD Ameritrade and to place transactions for client accounts with TD



Ameritrade. Our firm's participation in the TD Ameritrade Institutional Coaching Program does not diminish our duty to seek best execution of trades for client accounts.

- B. If our firm or a *related person* directly or indirectly compensates any *person* who is not our *employee* for *client* referrals, we are required to describe the arrangement and the compensation.

We may, via written arrangement, retain third parties to act as solicitors for our investment management services. All compensation with respect to the foregoing will be fully disclosed to each client to the extent required by applicable law. We will ensure each solicitor is properly registered in all appropriate jurisdictions.

### **Item 15. Custody**

- A. If we have *custody* of *client* funds or securities and a qualified custodian as defined in SEC rule 206(4)-2 or similar state rules (for example, a broker-dealer or bank) does not send account statements with respect to those funds or securities directly to our *clients*, we must disclose that we have *custody* and explain the risks that you will face because of this.

State Securities Bureaus or their equivalent generally take the position that any arrangement under which a registered investment adviser is authorized or permitted to withdraw client funds or securities maintained with a custodian upon the adviser's instruction to the custodian is deemed to have custody of client funds and securities.

As such, we have adopted the following safeguarding procedures:

- (1) Our clients must provide us with written authorization permitting direct payment to us of our advisory fees from their account(s) maintained by a custodian who is independent of our firm;
  - (2) We must send a statement to our clients showing the amount of our fee, the value of your assets upon which our fee was based, and the specific manner in which our fee was calculated;
  - (3) We must disclose to you that it is our fiduciary duty to ensure that the fees are calculated accurately; and
  - (4) Your account custodian must agree to send you a statement, at least quarterly, showing all disbursements from your account, including advisory fees.
- B. If we have *custody* of *client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to our *clients*, we are required to explain that you will receive account statements from the broker-dealer, bank, or other qualified custodian and that you should carefully review those statements.

We encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

### **Item 16. Investment Discretion**

If we accept *discretionary authority* to manage securities accounts on behalf of *clients*, we are required to disclose this fact and describe any limitations our *clients* may place on our authority. The following procedures are followed before we assume this authority:

Our clients need to sign a discretionary investment advisory agreement with our firm for the management of their account. We do not take or exercise discretion with respect to our other clients.

### **Item 17. Voting Client Securities**

- A. If we have, or will accept, proxy authority to vote *client* securities, we must briefly describe our voting policies and procedures, including those adopted pursuant to SEC Rule 206(4)-6.

We do not and will not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

### **Item 18. Financial Information**

- A. If we require or solicit prepayment of more than \$500 in fees per *client*, six months or more in advance, we must include a balance sheet for our most recent fiscal year.

We do not require nor do we solicit prepayment of more than \$500 in fees per *client*, six months or more in advance. Therefore we have not included a balance sheet for our most recent fiscal year.

- B. If we are an State-registered adviser and have *discretionary authority or custody of client funds or securities*, or we require or solicit prepayment of more than \$500 in fees per *client*, six months or more in advance, we must disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments to *clients*.

We have nothing to disclose in this regard.

- C. If we have been the subject of a bankruptcy petition at any time during the past ten years, we must disclose this fact, the date the petition was first brought, and the current status.

We have nothing to disclose in this regard.

### **Item 19. Requirements for State-Registered Advisers**

- A. Identification of each of our principal executive officers and *management persons*, and description of their formal educations and business backgrounds.

**John McDonald Turman CRD# 3026642**

Year of Birth: 1962

**Formal Education after high school:**

Oregon State University, Corvallis, OR – 1985 B.S. Entomology

**Business Background:**

08/2005 to Present, Turman Financial Group, LLC, Corvallis, OR – Managing Member & Chief Compliance Officer

03/1998 to 11/2009, Investacorp Inc. and Investacorp Advisory Services, Inc., Miami Lakes, FL – Branch Manager

**Professional Licenses and Exams:**

Series 7 – 03/1998

Series 24 – 08/1998

Series 63 – 03/1998

Series 65 – 06/2009

**Eric Appleton Cheney CRD# 5880957**

Year of Birth: 1960

**Formal Education after high school:**

Whitman College, Walla Walla, WA – 1982 B.S. Physics

University of Utah, Salt Lake City, UT – 1985 Masters Electrical Engineering

Certified Financial Planner, onsite classroom instruction, 2010 at University of Portland, OR

**Business Background:**

2011 to Present: Registered Representative, Security First Advisors, Corvallis, OR

May 2010 to May 2015 Registered Representative and Investment Advisor Representative, Geneos Wealth Management, Corvallis, OR

January 2010 to April 2010 Administrative tasks, and studied for exam. LPL Financial LLC, Newport, OR

**Professional Licenses and Exams:**

Certified Financial Planner (CFP) exam passed, November 2010

Series 7 – Feb. 2011

Series 66 – April 2011

Oregon Insurance – June 2011

Idaho Insurance – Oct. 2014

- B. Description of any business in which we are actively engaged (other than giving investment advice) and the approximate amount of time spent on that business.

Please see Item 10 of this Firm Brochure.

- C. In addition to the description of our fees in response to Item 5 of Part 2A, if our firm or a supervised person is compensated for advisory services with performance-based fees, we must explain how these fees will be calculated. Further, we must disclose specifically that 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.

We do not charge performance-based fees.

- D. If our firm or a management person has been involved in one of the events listed below, we must disclose all material facts regarding the event.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an *investment-related* business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an *investment-related* business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

- E. In addition to any relationship or arrangement described in response to Item 10.C. of Part 2A, we must describe any relationship or arrangement that our firm or any of our management persons have with any issuer of securities that is not listed in Item 10.C. of Part 2A.

We have nothing to disclose in this regard.