

NAPFA Comprehensive Financial Advisor Diagnostic Response



The *Comprehensive Financial Advisor Diagnostic*, created by the National Association of Personal Financial Advisors (NAPFA), is a thorough questionnaire you can use to evaluate a financial advisor. To assist in your evaluation of Veripax Financial Management, we have provided the answers as they apply to Jerry Verseput, VFM's principal advisor.

What is your educational background?

Certified Financial Planner™

M.S. Engineering (Southern Methodist University)

B.S. Computer Engineering (Cal Poly, Pomona)

What are your financial credentials/designations and affiliations?

NAPFA – Registered Financial Advisor

Certified Financial Planner (CFP)

Series 65 (Investment Advisor) License

Financial Planning Association

MD Preferred Financial Advisor

How long have you been offering financial planning services?

Jerry Verseput founded Veripax Financial Management in April, 2006. Prior to 2006, Mr. Verseput held various director-level management positions at Intel Corporation, and has managed his own investment portfolio for over 20 years.

Will you provide me with references from other professionals?

Yes, upon request.

Have you ever been cited by a regulatory body for disciplinary reasons?

No.

How many clients do you work with?

As of June, 2013, VFM has approximately 100 clients for on-going investment management. Additional clients will be accepted on a limited basis. VFM manages approximately \$45M.

Are you currently engaged in any other business?

No.

Will you or an associate work with me?

Jerry Verseput works directly with all clients.

Will you sign NAPFA's Fiduciary Oath?

As a member of NAPFA, Jerry Verseput has agreed to abide by NAPFA's Fiduciary Oath.

Do you have a business continuity plan?

Yes.

COMPENSATION

Financial planning costs include what a client pays in fees and commissions. Comparison between advisors requires full information about potential total costs. It is important to have this information before entering into any agreement.

How is your firm compensated and how is your compensation calculated?

Fee-only. See "Service Offerings" sheet.

Do you have an agreement describing your compensation and services?

Yes.

Do you have a minimum fee?

Minimum portfolio size for new clients is \$250,000.

Do you receive compensation from investments you recommend?

No.

Do you receive referral fees from attorneys, accountants, ins. agents, or others?

No.

Are there financial incentives for you to recommend certain financial products?

No.

SERVICES

Financial planners provide a range of services. It is important to match your needs with services provided.

What services do you offer advice on?

| | |
|--------------------------------|----------------------------|
| Investment review & planning | Retirement income planning |
| Retirement planning | Education saving |
| On-going investment management | Stock option strategies |
| Estate planning | Insurance needs |

Do you provide a comprehensive written analysis and recommendations?

A comprehensive written analysis with recommendations is included as part of a Comprehensive Financial Plan. Some clients are interested in on-going investment management only, in which case VFM and the client will agree on an investment strategy but a list of recommendations is not necessary. For on-going investment management clients, there is a one-time setup fee for those desiring a Comprehensive Financial Plan.

Do you offer assistance with implementation of the plan?

Yes.

Do you offer continuous, on-going advice regarding my financial affairs, including non-investment related financial issues?

An on-going investment management relationship includes financial advice when needed on non-investment related issues. If VFM does not have the expertise to address a particular issue, you will be referred to a competent professional. If the situation calls for it, VFM will act as a financial “quarterback” to help coordinate the activities of various financial professionals.

Do you take custody of, or will you have access to, my assets?

No. VFM will receive your permission to debit your investment account for our fee, but will not take custody of assets for any reason.

Do you require “discretionary” trading authority over my investment accounts?

Yes. VFM’s investment strategy makes it impractical to seek clients’ permission before implementing trading decisions. Permission is always sought for activities or investments that fall outside of the agreed-upon strategy.

Veripax Financial Management, LLC is a Registered Investment Advisor (RIA) and is registered with the State of California and the SEC.