

# 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, VWM's principal advisor.

## ***What is your educational background?***

Certified Financial Planner™  
College for Financial Planning  
M.S. Engineering (Southern Methodist University)  
B.S. Computer Engineering (Cal Poly, Pomona)

## ***What are your financial credentials/designations and affiliations?***

Certified Financial Planner (CFP)  
Series 65 (Investment Advisor) License – Registered Investment Advisor  
Financial Planning Association (FPA)  
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 25 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 December, 2017, VWM has approximately 150 clients for on-going investment management. Additional clients will be accepted on a limited basis. VWM manages approximately \$130M.

## ***Are you currently engaged in any other business?***

No.

## ***Will you or an associate work with me?***

Jerry Verseput and Brian Wells (Senior Wealth Advisor) work directly with all clients.

## ***Will you sign NAPFA's Fiduciary Oath?***

Jerry Verseput has agreed to abide by NAPFA's Fiduciary Oath.

## ***Do you have a business continuity plan?***

Yes.

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## 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 for all investment products. We receive a commission for insurance-related products. 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 \$500,000.

### ***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?***

We recommend and provide insurance products when it makes sense as part of a wealth management plan. Insurance products pay commissions, which are viewed by some as a financial incentive. We believe that providing insurance to clients in the context of a complete financial plan allows us to ensure that insurance recommendations are always in the client’s best interests.

## 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?***

On-going investment management	Retirement income planning
Investment review & planning	Small business retirement plans
Insurance needs (life, LTC, medical)	Social security withdrawal strategy
Stock option strategies	General wealth planning

### ***Do you offer assistance with implementation of financial plans?***

Yes.

### ***Do you work with businesses?***

VWM works with small businesses and non-profits to design and implement retirement plans, including 401(k)/403(b) plans, SIMPLE-IRAs and SEP-IRAs.

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

An on-going wealth management relationship includes financial advice when needed on non-investment related issues. If VWM does not have the expertise to address a particular issue, you will be referred to a competent professional. If the situation calls for it, VWM 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. VWM 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. VWM’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 or Investment Policy Statement.

***What investments do you have expertise in?***

It is our strong opinion that diversification is extremely important, and that meaningful diversification requires investments that *do different things*. For this reason, VWM has developed expertise and utilizes (where appropriate) a number of non-correlated asset classes, including those listed below. We refer to these as the “financial tools in our toolbox.”

U.S. and Foreign Stocks/Funds  
Corporate Private Debt/BDCs  
Long-short Equity  
Real Estate/REITs  
Private Equity/LLCs  
Structured Notes

Corporate Bonds/Funds  
Energy Master Limited Partnerships (MLPs)  
Managed Futures  
High-Yield/Floating Rate Bonds  
Covered Calls

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