

# **MYFINANCIALADVICE, INC.**

## **INFORMATION YOU SHOULD KNOW**

### **INTRODUCTION**

MYFINANCIALADVICE, INC. (*MFA or We*) sponsors an electronic listing service (*Program*) through its website located at <http://www.myfinancialadvice.com> (*Website*). Through the Website, We provide a place where qualified independent advisors, such as financial planners, investment advisors, accountants, mortgage brokers and insurance professionals (collectively, *Advisors*) may offer their services (*Services*) to individual consumers (*Consumers*). Consumers pay the Advisors a fee through the Website for the Services they receive on a project-by-project basis (*Advisor Fee*). MFA receives a percentage of each Advisor's earned Advisor Fees.

MFA also sponsors a tailored service for other Consumers using the same platform. Employers and other aggregators who wish to provide advice to Consumers in the workplace or through membership associations or other online channels bring Consumers to the MFA site through links to landing pages on our site that describe the relationship and the advice session offered. Advisors from the MFA advisor inventory are certified to staff these sessions.

MFA collects the Advisor Fee from the Consumer at the start of a project (*Project*), as directed by the Consumer and pays the fee to the Advisor when the Project is finished. MFA deducts any fees the Advisor owes MFA from the Advisor Fee that MFA pays to the Advisor upon completion of a Project. Since MFA could be considered a Solicitor or an Investment Adviser under federal or certain state securities laws, it has registered as an Investment Adviser with the Securities and Exchange Commission (*SEC*) and has filed a notice with the State of Colorado. We file notices with other states when We are required to do so.

### **SERVICES AND COMPENSATION**

#### ***Program Services***

***Services.*** The MFA Program services are generally limited to (i) obtaining the names of persons with credentials that appear to qualify those persons to give advice in various areas; (ii) providing a web-based platform where a Consumer can obtain a list of Advisors who may be available to assist the Consumer with a specific question; (iii) collecting the fees from the Consumer on behalf of the Advisor for the Services; (iv) paying the selected Advisor once the Services have been completed; and (v) conducting follow ups with Consumers to verify satisfaction with the Services.

We do not recommend any specific Advisor to Consumers. Through a proprietary computer-matching software program, We will provide a Consumer who requests advice, with a list of Advisors who appear to have the qualifications necessary to provide advice to assist a Consumer with a particular request. Consumers must evaluate and choose Advisors on their own, after reviewing the information about the Advisors disclosed or described on the Website. As part of receiving Services through the Website, the Consumer and Advisor must agree not to contact each other or obtain Services directly and the Advisor must agree not to sell any product to the Consumer. We are not responsible for determining or reviewing any advice to Consumers.

**Compensation.** For the Program Services that We provide through our Website, we charge Advisors a fee equal to 35% of the total amount of the fee the Advisors receive from Consumers for Services they provide through the Website. When an Advisor and a Consumer agree on a Project and the fees for the Project, they will notify us. We will collect the total amount of the Fee from the Consumer, on behalf of the Advisor, The Consumer must pay the fee by credit card at the time the Advisor starts providing Services. We will keep the Advisor Fee in a segregated account until the project is completed. We will pay the Advisor Fee to the Advisor when the Project is completed, less the amount of our fee. If a project is not completed within six months from the date we collect the fee, the fee (or the portion relating to the unfinished work) will be returned to the Consumer. Otherwise, the fees, once paid are not refundable.

We may pay a percentage of our fees to third parties who sponsor the Website or who provide advertising space for the Program or who allow links to the Website on their websites.

In addition to the Program fee, Advisors must pay us:

- an initial set-up fee of up to \$300 to cover the costs of verifying the Advisor's qualifications and setting up the listing on the Website;
- a renewal fee of \$100 for each year after the initial year to cover the costs of reviewing the Advisor's renewal listing application; and
- an initial and annual \$50 Software Platform License fee due at the time of an Advisor's initial listing and payable annually thereafter.

The Software Platform License fee will be refunded for any Advisor whose listing or renewal application is rejected. All other fees are nonrefundable once they are paid. Also, We may charge an Advisor an amendment fee to cover our costs, if the Advisor asks to change any information on his or her Advisor Profile, disclosure document, or any other information on the Website. The amount of the amendment fee will depend on the amount of time MFA estimates it will take to make the change and any other costs involved in making the change. Once the Advisor, requests an amendment, MFA will provide the advisor with an estimate of the costs associated with any proposed amendment. No changes will be made until the fee is paid. Once paid, the amendment fee is nonrefundable.

### **Fees**

MFA Advisor Fee, is not refundable once it has been paid, unless MFA fails to complete the Project. Ordinarily Projects are completed within 30 days or less. If the Project has not been started within six (6) months from the date of commencement of the Project the MFA Advisor Fee must be immediately refunded to the Consumer. In no event will the MFA Advisor Fee be paid more than six months before the Project is completed. If a Project is partially completed within the six-month period, the MFA Advisor Fee will be prorated.

MFA is entitled to 100% of the total amount of the MFA Advisor Fee. MFA may pay a portion of the MFA Advisor Fee to third parties who sponsor the MFA Website or who provide advertising space for the Program or links to the Website.

## **ADVISOR ETHICAL CODE**

MFA requires all Advisors and MFA personnel providing investment advice to agree to the following seven standards of MFA's Advisor Ethical Code:

**Integrity**—All persons must offer and provide professional services to Consumers with integrity.

**Objectivity**— All persons shall be objective in providing services to Consumers.

**Competence**— All persons shall maintain the knowledge and skill to provide services to Consumers competently.

**Fairness**— All persons shall perform professional services in a manner that is fair and reasonable to online Consumers and shall disclose conflicts of interests in providing such services. Delivered advice shall provide Consumers a fiduciary standard of care.

**Confidentiality**— All persons shall not disclose any confidential Consumer information without the specific written consent of the Consumer, except in compliance with MFA's written privacy policy and procedures after notice of those procedures have been given to the Consumer.

**Professionalism**— All persons conduct in all matters shall be responsible and professional.

**Diligence**— All persons shall act diligently in providing professional services.

## **EDUCATION AND BUSINESS BACKGROUND OF PRINCIPALS OF MYFINANCIALADVICE**

**Ronald P. Peremel**, President, Chairman of the Board of Directors, and Chief Executive Officer since inception (2003). Born 5/18/1965. *Education*: Ithaca College, B.A. *Business Background*: 2002 to Present, Chairman of the Board of Directors, Chief Executive Officer, and Managing Member, Myfinancialadvice, LLC; 2001 to 2002, Director, Chairman of the Board of Directors, Chief Executive Officer, Myfinancialadvice, Inc. (CO); 2000 to 2001, Vice President of Marketing, Wall Street on Demand/Reuters; 1999 to 2000, Director of Market Development, SmartPoint; 1988 to 1999, Financial Advisor, Dean Witter and Peremel & Co.; 1998 to 1999, Senior Analyst, MatchLogic/Excite@Home; 1997 to 1998, Director of Business Development, CD Interactive; and 1989 to 1996, Vice President of Marketing, Peremel & Co.

**Kevin P. Condon**, Executive Vice President-Advisor Services, Chief Compliance Officer and Secretary since inception (2003). Born 06/22/1944. *Education*: University of Kansas, B.A., M.A., and Ph.D. *Business Background*: 2002 to Present, Executive Vice President, Advisor Services, Myfinancialadvice, LLC; 1986 to 2002, Director of Financial Services and President, Baltimore-Washington Financial Advisors, Inc.; and 1986 to 1998, Director of Broker Dealer Services, Hibbard Brown & Company, Inc. *Professional Background*: Certified Financial Planner; Past-Vice President, National Capital Chapter, IAFP; President, Maryland Chapter, ICFP (which merged to form the Financial Planning Association); Vice President, Northeast Regional Board, National Association of Personal Financial Advisors; and Member, Board of Directors, Maryland FPA. *Recognition/Speaker/Newsletter*: Worth Magazine's Top 250 Best Financial Advisors for 5 years; national conference speaker on various topics; and newsletter editor and publisher.

## **BROKERAGE RECOMMENDATIONS/ OTHER DISCLOSURE**

We do not provide investment supervisory services nor do We provide management services. MFA does not accept investment or brokerage discretion from any Consumer.

We do not accept products, services, or research from any broker-dealers. Broker and non-broker websites may display advertising hyperlinks to MFA's Website. We may pay those parties a fee based on the services purchased by Consumers who visit the MFA's Website through hyperlinks.