



## FLAGSHIP HARBOR ADVISORS

DAVID J. KAUFMAN CFP®, ChFC®  
CEO AND FOUNDER

Flagship Harbor Advisors ([www.flagshipharbor.com](http://www.flagshipharbor.com)), established in 2010 as a collective of veteran financial professionals, seeks to maximize the impact of operating on an independent platform while leveraging the advantages of being a large group. Ultimately, we strive to help advisors keep more of the revenue they generate and keep costs low with economies of scale.

As hybrid advisors powered by the support and technology of LPL Financial ([www.LPL.com](http://www.LPL.com)), we have three primary business channels.

First, with LPL Financial, we have access to one of the industry's top advisory account management platforms *without* the cost of a 'global admin fee' allowing our group of advisors to keep more of the revenue they generate from advisory accounts. Additionally, we have a financial planning/investment consulting program enabling advisors to charge a flat (or hourly) fee for service which is not based on assets under management. This is all because Flagship Harbor Advisors is registered with the SEC as an independent RIA, and as a hybrid entity we do not have to use LPL's corporate RIA. Our team of attorneys keeps us on the cutting edge of the ever-changing world of RIA compliance.

Second, we have full access to LPL Financial's brokerage account platform, enabling advisors to broker mutual funds, alternative investments, ETFs, individual securities, variable annuities/life, etc. This platform is run without the conflicts of interest that can occur when a broker/dealer also sells their own proprietary products via their advisors, because LPL Financial does not offer proprietary products.

Third, as independent advisors we are able to offer our clients fixed products outside of LPL Financial's brokerage platform. We have partnered with Pinnacle Insurance & Financial Services of Jacksonville, FL ([www.pinnacleifs.com](http://www.pinnacleifs.com)). Via Pinnacle, we are able to broker fixed products (fixed annuities, fixed life, LTC, disability, etc.) from over 60 different carriers. Because we are a large collective of advisors we have a higher payout potential from these carriers, again allowing the advisor to keep more of the revenue generated.

In addition to this powerful three-channel approach, Flagship Harbor Advisors provides management, coaching, compliance guidance and more importantly, strives to provide veteran advisors with the independence they crave, while offering the camaraderie and support of a group. Advisors have the independence to choose their own brand name, website, technology and marketing strategy, as well as the flexibility and autonomy to build their own office and support staff team. However, if they so choose, one can simply leverage our already established brand, website, office, and other resources.

Flagship Harbor Advisors is here to support, guide, and help advisors create the practice they have always wanted, yet have been unable to achieve.

For a list of states in which we are registered to do business, please visit [www.flagshipharbor.com](http://www.flagshipharbor.com)

Pinnacle Insurance & Financial Services is not affiliated with LPL Financial or Flagship Harbor Advisors.

Specifically, the Hybrid RIA/OSJ Branch Manager (Flagship Harbor Advisors/David J. Kaufman/Jay Sawyer and team) will support the investment advisor representative/registered representative in the following manner. This list is in no particular order and is updated/adjusted frequently:

- The cost of Errors and Omissions Coverage is covered by the OSJ Branch Manager for qualified advisors (as an annual credit of the current cost when the advisor joins LPL). This is done to effectively reduce the overall costs incurred by each advisor, thus allowing them to keep more of their earnings.
- LPL Resource Fee (affiliation fee) is paid by the OSJ Branch Manager for qualified advisors (as an annual credit of the current cost when the advisor joins LPL). This is done to effectively reduce the overall costs incurred by each advisor, thus allowing them to keep more of their earnings, and to protect them from ever increasing costs.
- Daily Trade Blotter is reviewed and approved via LPL Clientworks. Requests are made to each advisor for additional documentation when necessary (i.e., switches, low priced securities, F423, breakpoints, etc. posted to iDoc when necessary). Advisory and Brokerage accounts are reviewed simultaneously. This process is in place so an advisor can focus on seeing clients and running their practice, and they can rely on the RIA/OSJ to help keep them in compliance with LPL policies and FINRA/SEC regulations.
- Variable annuity reviews/approvals occur daily and ensure compliance with LPL/FINRA policies (i.e., requesting F439, F146, etc. posted to iDoc when necessary).
- Alternative Investments account approval conducted daily.
- Daily Email Review is conducted via LPL Clientworks. Requests for additional information/clarification are made to each advisor when necessary. This process is in place so an advisor can focus on seeing clients and running their practice, and they can rely on the RIA/OSJ to keep them in compliance with LPL policies and FINRA/SEC regulations. This includes assistance in implementing the "secure" email function with the email host/archive vendor.
- Various monthly reviews are conducted via the LPL Clientworks system. This includes: Outside Business Activities, Client Address Changes, Trade Corrections, Mutual Fund Exceptions, Possible Front Running, Actively Traded Accounts, Concentrated Positions, Low Priced Securities, and Third Party Disbursements. Requests are made to each advisor when clarification is needed. This process is in place so an advisor can focus on seeing clients and running their practice, and they can rely on the RIA/OSJ to keep them in compliance with LPL policies and FINRA/SEC regulations.
- Monthly reviews of advertising, written correspondence, and Do-Not-Call tracking activity are also conducted by the RIA/OSJ. These items are requested from advisors at the end of each calendar month. We support advisors throughout the advertising/marketing process from conception through approval via LPL's Compliancemax program.
- Compliance with SEC policies and procedures is guided by a team of attorneys in New Jersey. The RIA and law firm are in contact frequently, thus keeping the advisor on the cutting edge of RIA compliance. All costs associated with regulatory filings, documentation, client disclosures, attorney retainer, etc. are paid by the RIA and not by the individual advisor. This is done to effectively reduce the overall costs incurred by each advisor, thus allowing them to keep more

of their earnings, and to protect them from ever increasing compliance/regulatory costs. Legal fees and/or disgorgement as a result of a complaints and/or non-compliance, etc., will be reviewed case-by-case, and the individual advisor may be required to cover such costs.

- All client agreements for advisory account relationships have been prepared by the law firm and are in compliance with LPL Financial policies and SEC regulations. Each advisor is given copies of the original agreements are able to make minor edits to reflect the true nature of the client-advisor relationship. Each submitted agreement is signed/reviewed daily by the managing member of the RIA (David J. Kaufman) and by the client. A copy is kept in the RIA main office and in the advisor's client file. LPL account applications do *not* need to be signed by the RIA managing member.
- Change of broker/agent of record forms generally need to be signed by the client, the advisor, and the OSJ/Branch Manager. Submissions for signature to the OSJ/Branch Manager are generally scanned/emailed/eSigned and returned to the advisor within hours so the advisor can in-turn submit to LPL.
- Signature guarantees can be provided by the OSJ/Branch Manager upon request for no fee and are completed same day as received.
- Regular branch office visits and/or calls are scheduled by the OSJ/Branch Manager to review hot compliance topics, conduct an office inspection, and review LPL compliance and technology policies.
- Frequent notices are emailed by the OSJ/Branch Manager to the advisor to serve as a reminder of various policies or changes in policy, hot topics, best practices, common themes, etc.
- Advisors can implement whatever compliant marketing/branding strategy they prefer. An advisor can choose to use the Flagship Harbor brand (see [www.flagshipharbor.com](http://www.flagshipharbor.com)), they can develop their own brand (e.g., Smith Financial), or they can use LPL's brand (see [www.lpl.com](http://www.lpl.com)) in some limited cases. In addition, advisors using their own brand are encouraged to develop their own website and marketing materials. If an advisor chooses to use the Flagship Harbor brand, then any costs associated with website are covered by the RIA/OSJ Branch Manager. Additionally, several Flagship Harbor brand marketing materials/gift items have been disseminated amongst the group.
- LPL's "Account View" program is accessed by clients via the advisor's website (whether that is [www.flagshipharbor.com](http://www.flagshipharbor.com) or their own site).
- As we are in an expansion mode, only seeking the right people to affiliate with, we have a referral bonus program for advisors who refer qualified recruits to the RIA/OSJ Branch Manager. Details on this program will be supplied to each advisor.
- Each advisor is entitled to a complimentary initial consultation with Chief Technology Officer, Guy Alan. Any work that is contracted beyond the initial consultation is paid by the advisor, at a discounted rate. Mr. Alan is Microsoft certified and well versed in office set-up, wireless networking, phone systems, individual advisor computing/software needs, and LPL's technology compliance requirements.
- From time to time we engage an attorney who specializes in financial advisor legal issues. Advisors can have a complimentary consultation with one of our recommended firms during transition from their prior broker-dealer, in particular if it is expected to be a contentious

situation. An attorney can also be engaged by an advisor at their own expense if legal issues are encountered in the normal course of business. We also have access to employment attorneys and other legal expertise via the RIA's attorney team, in New Jersey.

- Service 360 (Team 40) is our service partner at LPL. They can be contacted by each advisor at will at 888-LPL-4RIA – they are specifically trained to work with LPL hybrid advisors. We provide assistance and support in managing the service experience. If the advisor has a problem of any kind, they should bring it to us for quick resolution.
- Each advisor is expected to create and maintain a Business Continuity Plan. A model template and guidance will be provided by the RIA/OSJ Branch Manager.
- Each advisor is expected to create and maintain a Buy/Sell Succession Plan in the event of death/disability/retirement. A model template and guidance will be provided by the RIA/OSJ Branch Manager. We have a built in succession plan. In the event that you do not select a specific partner, we can be your general partner and provide you immediate liquidity for your practice.
- We encourage advisors to consider practice acquisition strategies. We can offer guidance, loans, and creative financing support from Flagship Harbor Advisors or from LPL directly, or a combination of both. We have financed several practice successions and outside purchases with the members of our group.
- Advisors can choose to be viewed/treated as a team or as individuals as it pertains to payout grid and other items. This can be a great advantage, and an important consideration when compared to other firms' models. Please be certain to understand the advantages of being viewed as a team, if this is applicable to you.
- We have occasionally assisted advisors in staffing needs and have arranged several staff "sharing" opportunities as the need arises.
- We have a select individuals within our group who are considered experts in a given field of financial services (i.e., CFAs, college specialists, JDs, planning specialists, individual securities, structured notes, options traders, etc.). They are always available for questions and/or collaborative support.
- Pinnacle Insurance is our outside fixed products partner (this is an optional relationship). We offer support and guidance, as well as including advisors as part of our collective for better payout from many carriers via their relationship with Pinnacle for fixed annuities and fixed insurance products (i.e., Term, DI, LTC, UL, etc.) Fixed products GDC earned via Pinnacle is indeed included in an advisor's Total GDC calculation on Flagship Harbor grid.
- A comprehensive Practice Transition Checklist is available for advisors who join from other broker/dealers. We support advisors throughout every step of the transition process.
- Office amenities at 346 Commercial St. in Boston (including convenient location, ample parking lots in area, kitchen, conference room, roof-deck, waterfront walking area, close to North End /Faneuil Hall, etc.) available for booking by any affiliated advisor.
- To promote camaraderie there are educational and social gatherings each year, in Spring, Summer and Fall. All advisors and staff and their significant others are invited to the social events. These are in addition to several impromptu gatherings throughout the year.

- Lastly and perhaps most importantly, David Kaufman and Jay Sawyer are committed to making themselves available in support of each advisor for whatever their needs might be on any given day of the week. We consider ourselves more than simply managers of the RIA/OSJ – we are your teammates. Whatever your difficulty/challenge/question/concern may be, we are only a phone call or email away. Between the two of us, we are very rarely unavailable. Additionally, there are other individuals with principal licenses in our group and each of the advisors considers themselves a resource for fellow members.

# Flagship Harbor Advisors: Hybrid RIA Organization

## **Flagship Harbor Brand**

David J. Kaufman, CFP®, ChFC®  
Jay Sawyer, CFP®  
Erik Jefferson, CFA, CAIA, CWS  
Vijay Addanki, MBA  
Sieglinde Aigner-Crooks, MBA, CFP®  
Rich Anderson, JD  
Nancy Andrew  
Mitch Avery, CPA  
Wayne Bradley, CFP®, MS  
Steve Bruce, MBA  
Quentin Climer, CRPC®  
Carleton Crockett  
Alan Fatemi, CRPC®  
Bryan Gravel  
Brian Griffith, CFP®  
Dwayne Hall, CFP®  
Tim Higgins, CFP®, ChFC®  
Stacy Jones, CRPC®  
Kimberly Kelly  
Michael Krasco  
Brendan Lammers, CLTC  
Phil Mathey, MBA  
Dan Moran, CFP®  
Lee Pappas  
James Pierotti, MBA  
Gregory Prayzner  
Walter Riester, MBA, CFP®  
Chris Sheehan, JD, CFP®  
Jason Taylor  
John Welch, CIMA

## **DBA Brand**

*Andreasen Financial:* Irina Andreasen, MBA  
*ChartHouse Capital:* Jesse Bessett, CFP®, CIMA®  
Ed Marinucci, CIMA®  
Tom Williams, CFP®, CRPC®  
*Concierge Wealth Management:* Julian B. Morris, CFP®, ChFC®,  
AAMS®, CRPC®, CFS®, BFA®  
*Fenton Financial Group:* John Fenton, CFP®  
*Fieldstone Wealth Management:* Scott M. Mondeau  
*Kefauver FP and Wealth Management.:*  
Rusty Kefauver, AWMA®, CRPC®  
*Laurenz Financial:* Rod Laurenz, MBA  
*Munroe Morrow Wealth Management:*  
Greg Munroe, CFP®  
Matt Morrow  
Jon Coughlin  
Kyle Hurley, CPA  
*Thrive Wealth Strategies:* Scott D. Nelson  
*Northern Peak Financial:* Kevin Smith, CFP®  
Adam Hogue, MBA, CFP®  
Josh Topp, ChFC®  
Adam Bateman  
*Paradigm Private Wealth:*  
Jason Duguay, CFP®, CRPC®  
*Parker Wealth Management:* Dan Parker, MBA  
*Shepard Financial:* Tom Shepard, CFP®, APMA<sup>SM</sup>  
Tim Wyand, CSRIC®  
Nathan Waller  
*Shevlin Wealth Management:* Mark Shevlin  
*Thorne Financial Partners:* Rob Thorne, CRPC®  
*Trestlebridge Capital:* Michael Sanchez, CRPC®

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