

# Item 1: Cover Page

School of Personal Finance, LLC

1380 White Hill Rd  
Yorktown Heights, New York 10598

**Form ADV Part 2A – Firm Brochure**

(914) 299 - 3843

Dated March 3rd, 2023

[www.schoolofpersonalfinance.com](http://www.schoolofpersonalfinance.com)

This Brochure provides information about the qualifications and business practices of School of Personal Finance, LLC, “SPF”. If you have any questions about the contents of this Brochure, please contact us at (914) 299 - 3843. 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.

School of Personal Finance, LLC is registered as an Investment Advisor with the State of New York. Registration of an Investment Advisor does not imply any level of skill or training.

Additional information about SPF is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), which can be found using the firm’s identification number 307332.

## Item 2: Material Changes

The last annual update of this Brochure was filed on February 9, 2022. The following changes have been made to this version of the Disclosure Brochure:

- SPF has changed the hourly project-based rate from \$200 to a range of \$200-\$300 depending on the complexity and the needs of the client. The corresponding changes have been made in item 5 of this brochure.
- SPF has started including online educational courses and content to clients as part of the overall fee. A fee applies to non-clients that would like to enroll in the online courses. A description can be found under item 4 of this brochure.
- SPF has added 403(b) Individual Account Investment Management Services. A description of these services can be found in Item 4. The fee schedule can be found in Item 5 of this brochure. The custodian that we use to manage 403(b) accounts can be found under Item 12 of this brochure.

From time to time, we may amend this Brochure to reflect changes in our business practices, changes in regulations, and routine annual updates as required by securities regulators. Either this complete Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of School of Personal Finance, LLC.

# Item 3: Table of Contents

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# Item 4: Advisory Business

## **Description of Advisory Firm**

School of Personal Finance, LLC is registered as an Investment Advisor with the State of New York. SPF, as a Limited Liability Corporation was established in May 2019; however, SPF did not perform any business or apply for registration with the state of New York until January 2020. Richard McCormack is the principal owner of SPF. SPF reports \$3,656,842 in discretionary and no non-discretionary Assets Under Management. Assets Under Management were calculated as of December 31, 2022.

## **Types of Advisory Services**

### **Investment Management Services**

We are in the business of managing individually tailored investment portfolios. Our firm provides continuous advice to a Client regarding the investment of Client funds based on the individual needs of the Client. Through personal discussions in which goals and objectives based on a Client's particular circumstances are established, we develop a Client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation targets. We will also review and discuss a Client's prior investment history, as well as family composition and background.

Account supervision is guided by the stated objectives of the Client (e.g., maximum capital appreciation, growth, income, or growth, and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Fees pertaining to this service are outlined in Item 5 of this brochure.

### **403(b) Individual Account Investment Management Services**

We are in the business of managing individual 403(b) investment accounts. Our firm provides continuous advice to a Client regarding the investment of 403(b) retirement funds based on the individual needs of the Client. Through personal discussions in which goals and objectives based on a Client's particular circumstances are established, we develop a Client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation targets. We will also review and discuss a Client's prior investment history, retirement goals, as well as family composition and background.

Account supervision is guided by the stated objectives of the Client (e.g., maximum capital appreciation, growth, income, or growth, and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Fees pertaining to this service are outlined in Item 5 of this brochure.

### **Hourly Project-Based Financial Planning Service**

We provide project-based financial planning services on topics such as retirement planning, risk management, college savings, cash flow, debt management, work benefits, and estate and incapacity planning.

Financial planning involves an evaluation of a Client's current and future financial state by using currently known variables to predict future cash flows, asset values, and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information, and analysis will be considered

as they affect and are affected by the entire financial and life situation of the Client. Clients purchasing this service will receive a written or an electronic report, providing the Client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern. The Client and advisor will work together to select specific areas to cover. These areas may include, but are not limited to, the following:

**Business Planning:** We provide consulting services for Clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.

**Cash Flow and Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

**College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).

**Employee Benefits Optimization:** We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.

**Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts, and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts. We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

**Financial Goals:** We will help Clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.

**Insurance:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home, and automobile.

**Investment Analysis:** This may involve developing an asset allocation strategy to meet Clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

**Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, taking more risk with investments).

If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

**Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance ("self-insuring").

**Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their "tax efficiency," with the consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

### **Online Educational Courses & Content**

We offer financial education on a variety of topics. We also provide online educational courses and content on our website for a fee. The content of these courses will vary depending upon the needs of the attendees. Topics may include issues related to financial planning, budgeting, personal financial statements, college funding, insurance, estate planning, retirement strategies, raising a family, types of investment accounts, or various other economic and investment topics. Our courses are educational in nature and do not involve the sale of insurance or investment products. Information presented will not be based on any one person's need nor do we provide

individualized investment advice to enrollees. All current clients are able to enroll in all educational content at no additional cost.

### **Ongoing Comprehensive Financial Planning**

This service involves working one-on-one with a planner over an extended period of time. By paying a fixed monthly fee, Clients get to work with a planner who will work with them to develop and implement their plan. The planner will monitor the plan, recommend any changes and ensure the plan is up to date.

Upon desiring a comprehensive plan, a Client will be taken through establishing their goals and values around money. They will be required to provide information to help complete the following areas of analysis: net worth, cash flow, insurance, credit scores/reports, employee benefits, retirement planning, insurance, investments, college planning, and estate planning. Once the Client's information is reviewed, their plan will be built and analyzed, and then the findings, analysis and potential changes to their current situation will be reviewed with the Client. Clients subscribing to this service will receive a written or an electronic report, providing the Client with a detailed financial plan designed to achieve his or her stated financial goals and objectives. If a follow-up meeting is required, we will meet at the Client's convenience. The plan and the Client's financial situation and goals will be monitored throughout the year and follow-up phone calls and emails will be made to the Client to confirm that any agreed upon action steps have been carried out. On an annual basis, there will be a full review of this plan to ensure its accuracy and ongoing appropriateness. Any needed updates will be implemented at that time.

### **Client Tailored Services and Client Imposed Restrictions**

We offer the same suite of services to all of our Clients. However, specific Client financial plans and their implementation are dependent upon the Client Investment Policy Statement which outlines each Client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a Client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients are able to specify, within reason, any limitations they would like to place on discretionary authority as it pertains to individual securities and/or sectors that will be traded in their account, by notating these items on the executed advisory agreement.

### **Wrap Fee Programs**

We do not participate in wrap fee programs.

## **Item 5: Fees and Compensation**

Please note, unless a Client has received the firm's Disclosure Brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the Client within five (5) business days of signing the contract without incurring any advisory fees. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

### **Investment Management Services**

Our standard advisory fee is based on the market value of the assets under management and is calculated as follows:

| <b>Account Value</b>             | <b>Annual Advisory Fee</b> |
|----------------------------------|----------------------------|
| <b>\$1 - \$1,000,000</b>         | 1.00%                      |
| <b>\$1,000,001 - \$2,000,000</b> | 0.75%                      |
| <b>\$2,000,001 and Above</b>     | 0.60%                      |

The annual fees are negotiable and are pro-rated and paid in arrears on a monthly basis. The advisory fee is a tiered fee and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart and applying the fee to the account value as of the last day of the previous month. No increase in the annual fee shall be effective without agreement from the Client by signing a new agreement or amendment to their current advisory agreement.

Advisory fees are directly debited from Client accounts, or the Client may choose to pay by check. Accounts initiated or terminated during a calendar month will be charged a prorated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no refund will be needed upon termination of the account.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interests ahead of yours.

#### **403(b) Individual Account Investment Management Services**

Our standard advisory fee is based on the market value of the assets under management and is calculated as follows:

| <b>Account Value</b>           | <b>Annual Advisory Fee</b> |
|--------------------------------|----------------------------|
| <b>\$1 - \$500,000</b>         | 0.90%                      |
| <b>\$500,001 - \$1,000,000</b> | 0.75%                      |
| <b>\$1,000,001 and Above</b>   | 0.60%                      |

The annual fees are negotiable and are pro-rated and paid in arrears on a quarterly basis. The advisory fee is a tiered fee and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart and applying the fee to the account value as of the last day of the previous billing cycle. No increase in the annual fee shall be effective without agreement from the Client by signing a new agreement or amendment to their current advisory agreement.

Advisory fees are directly debited from Client accounts by the designated custodian/record keeper. Accounts initiated or terminated during a billing cycle will be charged a prorated fee based on the amount of time remaining



in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no refund will be needed upon the termination of the account.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interests ahead of yours.

### **Ongoing Comprehensive Financial Planning**

Ongoing Financial Planning consists of an ongoing fee that is paid monthly, in advance, at a rate between \$59 - \$300 per month depending on the complexity and need of the client. The fee may be negotiable in certain cases. Fees for this service may be paid by electronic funds transfer or check. This service may be terminated with 30 days' notice. No refunds will be given for partial months. The service will end on the last day of the month notice is given to SPF.

Clients who engage in our Investment Management Services and who have over \$250,000 in assets under management may choose to engage our Firm for Ongoing Comprehensive Financial Planning Services at no additional cost.

### **Hourly Project Based Financial Planning Services**

Hourly Financial Planning engagements are offered at an hourly rate of \$200 - \$300 per hour. The fee may be negotiable in certain cases and is due at the completion of the engagement. In the event of early termination by the Client, any fees for the hours already worked will be due. Fees for this service may be paid by electronic funds transfer or check.

### **Other Types of Fees and Expenses**

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the Client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer, electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual fund and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for Client's transactions and determining the reasonableness of their compensation (e.g., commissions).

We do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

## Item 6: Performance-Based Fees and Side-By-Side Management

We do not offer performance-based fees and do not engage in side-by-side management.

## Item 7: Types of Clients

We provide financial planning and portfolio management services to individuals, and high net-worth individuals.

We do not have a minimum account size requirement.

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

Our primary methods of investment analysis are Fundamental, Technical, Charting, and Cyclical analysis.

**Fundamental analysis** involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience, expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that the information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Technical analysis** involves using chart patterns, momentum, volume, and relative strength in an effort to pick sectors that may outperform market indices. However, there is no assurance of accurate forecasts or that trends will develop in the markets we follow. In the past, there have been periods without discernible trends and similar periods will presumably occur in the future. Even where major trends develop, outside factors like government intervention could potentially shorten them.

Furthermore, one limitation of technical analysis is that it requires price movement data, which can translate into price trends sufficient to dictate a market entry or exit decision. In a trendless or erratic market, a technical method may fail to identify trends requiring action. In addition, technical methods may overreact to minor price movements, establishing positions contrary to overall price trends, which may result in losses. Finally, a technical trading method may underperform other trading methods when fundamental factors dominate price moves within a given market.

**Cyclical analysis** is a type of technical analysis that involves evaluating recurring price patterns and trends based upon business cycles. Economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

**Charting analysis** involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends. Charts may not accurately predict future price movements. Current prices of securities may not reflect all information about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

### **Passive Investment Management**

We primarily practice passive investment management. Passive investing involves building portfolios that are comprised of various distinct asset classes. The asset classes are weighted in a manner to achieve the desired relationship between correlation, risk, and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically index mutual funds or exchange-traded funds.

Passive investment management is characterized by low portfolio expenses (i.e. the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

In contrast, active management involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated benchmark.

### **Material Risks Involved**

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities, and any other investment or security. Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Strategy Risk:** The Advisor's investment strategies and/or investment techniques may not work as intended.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the Client's portfolio.

**Turnover Risk:** At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

**Limited markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions, we may be unable to sell or liquidate investments at prices we consider reasonable or favorable or find buyers at any price.

**Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

**Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

**Inflation:** Inflation may erode the buying power of your investment portfolio, even if the dollar value of your investments remains the same.

### **Risks Associated with Securities**

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Exchange Traded Funds** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected. ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Advisor has no control over the risks taken by the underlying funds in which the Clients invest.

**Mutual Funds:** When a Client invests in open-end mutual funds or ETFs, the Client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the Client will incur higher expenses, many of which may be duplicative. In addition, the Client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

## **Item 9: Disciplinary Information**

### **Criminal or Civil Actions**

SPF and its management have not been involved in any criminal or civil action.

### **Administrative Enforcement Proceedings**

SPF and its management have not been involved in administrative enforcement proceedings.

### **Self-Regulatory Organization Enforcement Proceedings**

SPF and its management have not been involved in legal or disciplinary events that are material to a Client's or prospective Client's evaluation of SPF or the integrity of its management.

# Item 10: Other Financial Industry Activities and Affiliations

No SPF employee is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No SPF employee is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

SPF does not have any related parties. As a result, we do not have a relationship with any related parties.

SPF only receives compensation directly from Clients. We do not receive compensation from any outside source. We do not have any conflicts of interest with any outside party.

## **Recommendations or Selections of Other Investment Advisors**

SPF does not recommend Clients to Outside Managers to manage their accounts.

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

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each Client. Our Clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc., and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities

## **Code of Ethics Description**

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory Clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to Clients.
- Competence - Associated persons shall provide services to Clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.

- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to Clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential Client information without the specific consent of the Client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matter shall reflect the credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide a copy of its Code of Ethics to any Client or prospective Client upon request.

### **Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest**

Neither our firm, its associates or any related person is authorized to recommend to a Client or effect a transaction for a Client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, advisor to the issuer, etc.

### **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

Our firm and its “related persons” may buy or sell securities similar to, or different from, those we recommend to Clients for their accounts. In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates’ transactions in specific reportable securities transactions. Any exceptions or trading pre-clearance must be approved by the firm principal in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

### **Trading Securities At/Around the Same Time as Client’s Securities**

From time to time, our firm or its “related persons” may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of SPF to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, SPF will never engage in trading that operates to the client’s disadvantage if representatives of SPF buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

### **Factors Used to Select Custodians and/or Broker-Dealers**

School of Personal Finance, LLC does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to the Client based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

#### **1. Research and Other Soft-Dollar Benefits**

We currently do not receive soft dollar benefits.

## **2. Brokerage for Client Referrals**

We receive no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## **3. Clients Directing Which Broker/Dealer/Custodian to Use**

We do recommend a specific custodian for Clients to use, however, Clients may custody their assets at a custodian of their choice. In some cases, clients may also direct us to use a specific broker-dealer to execute transactions. By allowing Clients to choose a specific custodian, we may be unable to achieve the most favorable execution of Client transaction and this may cost Clients money over using a lower-cost custodian.

## **The Custodian and Brokers We Use (TD Ameritrade)**

Advisor participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade"), member FINRA/SIPC. TD Ameritrade is an independent [and unaffiliated] SEC-registered broker-dealer. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance, and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the program. (Please see the disclosure under Item 14 below.)

## **Aggregating (Block) Trading for Multiple Client Accounts**

Investment advisors may elect to purchase or sell the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as aggregating orders, batch trading or block trading. We do not engage in block trading. It should be noted that implementing trades on a block or aggregate basis may be less expensive for client accounts; however, it is our trading policy is to implement all client orders on an individual basis. Therefore, we do not aggregate or "block" client transactions. Considering the types of investments we hold in advisory client accounts, we do not believe clients are hindered in any way because we trade accounts individually. This is because we develop individualized investment strategies for clients and holdings will vary. Our strategies are primarily developed for the long-term and minor differences in price execution are not material to our overall investment strategy.

## **The Custodian We Use for Non-Erisa 403(b) Accounts (Matrix Trust Company)**

For 403(b) accounts, clients must utilize MG Trust (also known as Matrix Trust Company) as the custodian and Aspire as their recordkeeper.

# **Item 13: Review of Accounts**

Richard McCormack, Owner and CCO of SPF, will work with Clients to obtain current information regarding their assets and investment holdings and will review this information as part of our financial planning services. SPF does not provide specific reports to financial planning Clients, other than financial plans.

Client accounts with the Investment Advisory Service will be reviewed regularly on a quarterly basis by Richard McCormack, Owner and CCO. The account is reviewed with regard to the Client's investment policies and risk tolerance levels. Events that may trigger a special review would be unusual performance, addition or deletions of Client imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per Client's needs.

Clients will receive trade confirmations from the broker(s)/custodian/record keeper for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

SPF will not provide written reports to Investment Advisory Clients.

## Item 14: Client Referrals and Other Compensation

We do not receive any economic benefit, directly or indirectly, from any third party for advice rendered to our Clients.

As disclosed under Item 12, above, Advisor participates in TD Ameritrade's institutional customer program and Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Advisor's participation in the program and the investment advice it gives to its Clients, although Advisor 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 Advisor 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 Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Advisor but may not benefit its Client accounts. These products or services may assist Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor or its personnel through participation in the program do not depend on the number of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to Clients, Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

The Advisor engages independent solicitors to provide client referrals. If a client is referred to us by a solicitor, this practice is disclosed to the client in writing by the solicitor and the Advisor pays the solicitor out of its own funds—specifically, the Advisor generally pays the solicitor a portion of the advisory fees earned for managing the capital of the client or investor that was referred. The use of solicitors is strictly regulated under applicable federal and state law. The Advisor's policy is to fully comply with the requirements of Rule 206(4)-3, under the Investment Advisers Act of 1940, as amended, and similar state rules, as applicable.



The Advisor may receive client referrals from Zoe Financial, Inc through its participation in Zoe Advisor Network (ZAN). Zoe Financial, Inc is independent of and unaffiliated with the Advisor and there is no employee relationship between them. Zoe Financial established the Zoe Advisor Network as a means of referring individuals and other investors seeking fiduciary personal investment management services or financial planning services to independent investment advisors. Zoe Financial does not supervise the Advisor and has no responsibility for the Advisor's management of client portfolios or the Advisor's other advice or services. The Advisor pays Zoe Financial an on-going fee for each successful client referral. This fee is usually a percentage of the advisory fee that the client pays to the Advisor ("Solicitation Fee"). The Advisor will not charge clients referred through Zoe Advisor Network any fees or costs higher than its standard fee schedule offered to its clients. For information regarding additional or other fees paid directly or indirectly to Zoe Financial Inc, please refer to the Zoe Financial Disclosure and Acknowledgement Form.

## Item 15: Custody

SPF does not accept custody of Client funds except in the instance of withdrawing Client fees.

For Client accounts in which SPF directly debits their advisory fee:

- i. SPF will send a copy of its invoice to the custodian at the same time that it sends the Client a copy.
- ii. The custodian will send at least quarterly statements to the Client showing all disbursements for the account, including the amount of the advisory fee.
- iii. The Client will provide written authorization to SPF, permitting them to be paid directly for their accounts held by the custodian.

Clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains Client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the account statements or reports that we may provide to you. Our statements or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## Item 16: Investment Discretion

For those Client accounts where we provide Investment Management Services, we maintain discretion over Client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to Clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the Client will execute a Limited Power of Attorney, which will grant our firm discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the Client.

## Item 17: Voting Client Securities

We do not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the Client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

## Item 18: Financial Information

Registered Investment Advisors are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to Clients, and we have not been the subject of a bankruptcy proceeding.

We do not have custody of Client funds or securities or require or solicit prepayment of more than \$500 in fees per Client six months in advance.

# Item 19: Requirements for State-Registered Advisors

## **Richard McCormack**

Born: 1978

### **Educational Background**

- 2000 – Bachelor of Science in Business Administration, Concentration in Finance, Marist College

### **Business Experience**

- 01/2020 – Present, School of Personal Finance, LLC, Owner and CCO
- 01/2018 – 12/2019, PaisleyDoodle Boutique, Owner
- 07/2009 – 12/2017, Barnum Financial Group and Office of MassMutual/Metlife, Financial Advisor
- 5/2002 - 6/2009, Wachovia Bank N.A., Senior Financial Specialist

### **Professional Designations, Licensing & Exams**

**CFP (Certified Financial Planner)®:** The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with Clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination includes case studies and Client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real-world circumstances;

- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their Clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

### **Retirement Income Certified Professional**

1. The RICP® designation is offered through The American College and equips advisors with the knowledge to transition clients from an asset accumulation stage to a retirement income stage. Prerequisites to obtain the designation are three years of professional experience, and candidates must agree to comply with The American College Code of Ethics and Procedures. Three required self-study courses are completed over a four-month period:

- a. Retirement Income Process, Strategies & Solutions;
- b. Sources of Retirement Income; and
- c. Managing the Retirement Income Plan.

2. Candidates must pass a closed-book, proctored exam for each course. Fifteen hours of continuing education are required every two years to maintain the designation.

### **Other Business Activities**

Richard McCormack is not involved with outside business activities.

### **Performance-Based Fees**

SPF is not compensated by performance-based fees.

### **Material Disciplinary Disclosures**

No management person at School of Personal Finance, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

### **Material Relationships That Management Persons Have With Issuers of Securities**

School of Personal Finance, LLC, nor Richard McCormack, have any relationship or arrangement with issuers of securities, in addition to what is described in Item 10.

### **Additional Compensation**

Richard McCormack does not receive any economic benefit from any person, company, or organization, in exchange for providing Clients advisory services through SPF.

### **Supervision**

Richard McCormack, as Owner and Chief Compliance Officer of SPF, is responsible for supervision. He may be contacted at the phone number on this brochure supplement.

### **Requirements for State Registered Advisors**

Richard McCormack has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.

# School of Personal Finance, LLC

1380 White Hill Rd  
Yorktown Heights, New York 10598  
(914) 299 - 3843

Dated March 3rd, 2023

## Form ADV Part 2B – Brochure Supplement

*For*

**Richard McCormack 4575862**

Owner and Chief Compliance Officer

This brochure supplement provides information about Richard McCormack that supplements the School of Personal Finance, LLC (“SPF”) brochure. A copy of that brochure precedes this supplement. Please contact Richard McCormack if the SPF brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Richard McCormack is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the identification number 4575862.

# Item 2: Educational Background and Business Experience

## **Richard McCormack**

Born: 1978

### **Educational Background**

- 2000 – Bachelor of Science in Business Administration, Concentration in Finance, Marist College

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- 01/2020 – Present, School of Personal Finance, LLC, Owner and CCO
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- c. Managing the Retirement Income Plan.

2. Candidates must pass a closed-book, proctored exam for each course. Fifteen hours of continuing education are required every two years to maintain the designation.

## **Item 3: Disciplinary Information**

No management person at School of Personal Finance, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.



## Item 4: Other Business Activities

Richard McCormack is not involved with outside business activities.

## Item 5: Additional Compensation

Richard McCormack does not receive any economic benefit from any person, company, or organization, in exchange for providing Clients advisory services through SPF.

## Item 6: Supervision

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## Item 7: Requirements for State Registered Advisors

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