

Application for Financial Advisory Listing/Advertising on The White Coat Investor Website

Personal and Firm Information

Your Name: **Jon Beyrer, CFP®, EA**

Name of Firm: **Blankinship & Foster**

Insert link to your website: www.bfadvisors.com

Insert link to your ADV2: <https://www.bfadvisors.com/ADV-Part-2A.pdf>

Which services do you provide:

Financial Planning

Investment Management

Both <https://www.bfadvisors.com/services/wealth-management-process/>

Other services (please list):

Years of financial experience: **18 years**

Years of experience with financial planning or investment management for individuals: **16 years**

Years your firm been in business: **29 years as Blankinship & Foster, 15 years before that as Blankinship & Associates**

Which of the following designations do you hold (Check all that apply):

CFA

CFP

ChFC

CLU

CPA

PFS

EA

MBA (MSBA in Financial and Tax Planning)

BS or MS in finance related field

Other (please list): **Our team are all CFP Practitioners, and additionally two are CFA Charterholders, one is a Certified Divorce Financial Analyst (CDFA) and one is a certified Senior Advisor (CSA)**

Have you had any events in the past that are reportable to regulatory agencies? If so, please attach explanation. **NO**

Have any of your former clients sued you? What was the outcome? Please attach explanation. **NO**

Are you currently involved in a lawsuit by a client or former client? Please attach explanation. **NO**

Fee Structure

How do you get paid (check all that apply):

Commissions on investment products

Commissions on insurance products

Hourly rate

Annual retainer (quarterly fee for ongoing financial planning and investment management)

Flat fee for financial plan

AUM Fee

Other (Please list):

How much do you charge? Please list your fee structure. If there is a range of possible fees readers can expect to pay, what is the range and what determines where in the range they would fall. If you use AUM fees, be sure to list what a reader would pay with \$100K, \$500K, \$1M, and \$2M in assets.

Our Wealth management service combines initial and ongoing financial planning with investment management for one fee. We charge either a percentage of assets under management or a flat fee.

Our AUM fee structure is as follows:

Assets Under Management (AUM)	Advisory Fee (% AUM)
First \$1,000,000 under management	1.0%
Additional \$2,000,000 under management	0.75%
Assets under management exceeding \$3,000,000	0.60%
In excess of \$5,000,000	Negotiated %

A reader with \$1 Million in Assets under our management would pay \$2,500 per quarter (\$10,000 per year).

A reader with \$2 Million in Assets under our management would pay \$4,375 per quarter (\$17,500 per year).

What is the minimum amount of assets required for you to take a client?

For new clients with less than a \$1 million managed portfolio, a minimum fee of \$2,500 per quarter can be charged.

If you receive payment for insurance product commissions, what percentage of your business revenue do they make up? **N/A. We are fee-only.**

Do you consider yourself a fiduciary? **YES**

Do you routinely sign a fiduciary agreement with clients? **We are fiduciaries. Our written client agreement states our fiduciary status. Our fiduciary commitment to clients is on-going. We provide this statement of fiduciary commitment to our clients: <https://www.bfadvisors.com/wp-content/uploads/blankinship-foster-fiduciary-statement-2016-06.pdf>**

Investment Philosophy

Do you use tactical asset allocation? If so, please explain your process.

Our allocation approach can be defined as “Core and Satellite.” The Core is made up of passively managed, low cost index funds and ETFs. The Satellite are tactical shifts from the core based on current conditions. For example: currency-hedged international stock investments to offset the downside of a strengthening U.S. dollar.

Do you believe you can time the market sufficiently well to beat a comparable low-cost index fund after fees? **NO**

Do you pick individual stocks for clients? **NO**

Do you believe most physicians should own a cash value life insurance policy of any type? If so, what type and why? **NO, we believe term life insurance is superior to cash value insurance in most cases.**

Do you believe you can select mutual fund managers who can beat an index fund in the same asset class over the long term going forward? **NO, for most investment classes. (Explained above)**

What percentage of a typical client portfolio would you place into actively managed mutual funds or ETFs? **A typical client’s growth (stock) portfolio will be 90% passive (index) mutual funds and ETFs. Their income (bonds and cash) portfolio will be mostly actively managed mutual funds. We believe that low cost actively managed bonds funds are superior to index bond funds.**

What role do fees play in your selection of individual investments?

We are not compensated by any investments. We seek to minimize investment costs for our clients. Most of a client’s portfolio will be made up of Vanguard or DFA funds, or ETFs with extremely low expense ratios. We will choose investments with higher expenses only where warranted by tactical asset allocation considerations (explained above).

What fund companies do you routinely use? (Check all that apply)

Vanguard

DFA

Bridgeway

iShares

Other (Please list):

Do you routinely engage in tax-loss harvesting for clients in their taxable accounts? **YES**

Physician Specific Issues

How many physicians and/or dentists are you currently advising? (i.e. managed assets of or met with in the last year): **We currently advise about 30 Physicians (including some retired physicians who still practice or consult and counting some couples who are both physicians as one client).**

What do you feel is your biggest value-add for a doctor?

We are very familiar with the issues successful physicians face, particularly as they mature in their practices, build substantial net worth, and prepare for scaling back or for retirement. We have been working with physicians for decades, and we have 20+ year relationships with a number of physicians. We have helped them navigate things such as a sale of their practice, joining or exiting a group, and evaluating medical-based ventures or investments for purchase or liquidation. We advise physician clients on all these areas as part of our wealth management service.

Do you consider yourself qualified to give high-quality advice on all of the following student loan related issues: IBR, PAYE, REPAYE, PSLF, deferment, forbearance, and student loan refinancing? Why or why not? Is this advice included in your regular fees listed above?

We are not experts on all these programs, however we have advised physician clients on some of these, and we are excellent at researching programs like these for clients who have them.

How many clients have you assisted with a Backdoor Roth IRA in the last year? **Only a handful. Some clients cannot or will not roll their IRA money into a qualified plan and so will not benefit from backdoor conversions. We do, however, regularly look for this opportunity and talk with our clients about them, in addition to regular Roth IRA conversions and other IRA-related strategies such as Qualified Charitable IRA Distributions (and "Stealth IRAs").**

Which of the following accounts do you consider yourself an expert on? (check all that apply)

401(k)

403(b)

457(b)

Individual 401(k)

SEP-IRA

SIMPLE IRA

Traditional IRA

Roth IRA

HSA

Profit-sharing Plan

Defined Benefit/Cash Balance Plan

Others (Please list): **Deferred Compensation plans, plans with after-tax or Roth features**

What steps do you proactively take in a market downturn to improve investor behavior?

We regularly go through balance sheet and cash flow planning with our clients. On the balance sheet, we look at liquidity, emergency funds, cash reserves for big upcoming or possible expenses, and debt. On the cash flow, we consider the timing of upcoming cash needs, and we look out over the coming 5,10, or more years for changes in cash needs. We evaluate their investment allocation in light of these.

A key to being prepared for a downturn is to have plenty of liquidity, cash or conservative bonds to meet short to intermediate term cash needs, and flexibility in their spending or portfolio withdrawals so they can reduce it if they feel the need to. We've found that with this proactive planning, the vast majority of our clients are in great shape to weather a downturn, even those with more growth-oriented investment allocations.

In past downturns, most discussions have been around things like accessing cash reserves or delaying big expenses, so they can reduce portfolio withdrawals during the downturn. Typically, they come away with a feeling of being in control and confident that they are making good long-term decisions.

Anything else that you would like me to take into consideration with regards to your application?
(Attach additional documentation as desired)

We have a long history of working with physicians, and we really enjoy working with them. Some of our longest and best relationships are with physicians and retired physicians.