



9 Floral Avenue  
Natick, Massachusetts 01760  
Phone: 781-492-0261  
Fax: 888-602-8185  
Email: [info@fullerbrook.com](mailto:info@fullerbrook.com)  
Web Site: [www.fullerbrook.com](http://www.fullerbrook.com)

February 17, 2022

**This brochure provides information about the qualifications and business practices of Fuller Brook Financial Partners, LLC. If you have any questions about the contents of this brochure, please contact us at (781) 492-0261 or [info@fullerbrook.com](mailto:info@fullerbrook.com). The information in this brochure has not been approved by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Fuller Brook Financial Partners, LLC also is available on the SEC's website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov). Information about the disciplinary history of Fuller Brook Financial Partners, LLC or its representatives is available upon request from the Commonwealth of Massachusetts Securities Division, One Ashburton Place 17<sup>th</sup> Floor, Boston, Massachusetts 617-727-3548.**

**Material Changes:** None

### Contents

Cover Page	1
Material Changes	1
Contents	1
Financial Planning and Advisory Business	2
Fees and Compensation	2
Performance-based Fees and Side-by-side Management	3
Types of Clients	3
Methods of Analysis, Investment Strategies and Risk of Loss	3
Disciplinary Information	4
Other Financial Industry Activities and Affiliations	4
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	4
Brokerage Practices	4
Review of Accounts	5
Client Referrals and Other Compensation	5
Custody	5
Investment Discretion	5
Voting Client Securities	5
Financial Information	5
Requirements for State-Registered Advisers	5



### **Financial Planning and Advisory Business**

Fuller Brook Financial Partners, LLC ("FBFP") was started in January 2010 to provide fee-based financial planning and investment advice to individuals, couples and families, and small businesses.

#### Financial Planning and Consulting Services

FBFP provides personal financial planning and consulting services for clients on an hourly or per project basis. These services may be general in nature or focused on particular areas of interest or need, depending on the unique circumstances of each client. Advice is rendered in the areas of cash flow and debt management, asset allocation, portfolio construction, insurance needs analysis and risk management, college funding, retirement planning and lifestyles, estate planning, gifting/transition of assets, downsizing decisions and related areas of a client's financial situation. Advice is provided to clients based on their unique circumstances and the goals they want to achieve.

Financial Planning clients may be required to furnish certain records and documents to FBFP to facilitate the financial planning process. These documents may include: tax returns; current financial information (such as 1099s and W-2s); information on self-directed and employer-sponsored retirement plans; mortgage information; insurance policies; statements reflecting current investments in retirement and non-retirement accounts; and other pertinent information, as appropriate and necessary. FBFP will utilize these documents in conjunction with the client's goals, financial situation and tolerance for investment risk to develop a tailored financial plan for the client.

#### Asset Management Services

Fuller Brook has an arrangement with Morningstar Investment Services, Inc. to provide

active management of mutual fund, ETF and stock portfolios for Fuller Brook clients. For clients who do not wish to utilize the MIS service Fuller Brook will provide advice, but not active management.

As of December 31, 2021 Fuller Brook Financial Partners, LLC had regulatory assets under management of approximately \$6,754,587 of client assets on a non-discretionary basis and no client assets on a discretionary basis.

### **Fees and Compensation**

Fuller Brook Financial Partners, LLC is a fee-based service. All charges for service are billed directly to the client. Fuller Brook receives no other forms of compensation or commission.

#### Hourly Fees (Financial Planning Projects)

Pursuant to a Financial Planning or Consulting Agreement signed by each client, the client will pay FBFP an hourly fee or project fee based on a specified number of hours for financial planning or consulting services. FBFP's financial planning fees are billed at an hourly rate of \$150. Financial planning engagements will be based on the estimated hours to complete the deliverable(s) for the engagement at the standard hourly rate. The client will be provided a detailed proposal specifying the work to be performed and the estimated effort prior to engaging FBFP. Clients may also be charged for any out of pocket expenses, such as, postage, copying, etc.

All financial planning assignment fees are negotiated in advance of performing services. Clients are billed for financial planning services on a monthly basis and/or upon completion of work performed.

Clients may terminate a financial planning agreement prior to the delivery of plan results by providing written notice to FBFP. The client will



be responsible for fees incurred to date based on the agreed upon fee schedule and hours worked by FBFP. The client's Financial Planning or Consulting Agreement with the FBFP is non-transferable without the client's written approval.

#### Asset Management Fees (Long-term Relationships)

For clients who enter into an agreement to invest through Morningstar Investment Services there is a fee for the initial financial planning engagement as described above, and an annual fee of \$450 (equivalent to 3 professional hours) to update the plan each year at renewal of services. Additionally, Fuller Brook will annually charge 1/10 of 1% of invested assets deducted from the client account at Morningstar each quarter.

Investment through Morningstar may also incur mutual fund management fees and potentially fees for brokerage and custody services. The amount of those fees can be determined from the individual mutual fund prospectus' and the brokerage custodian selected.

In addition, investment in the Morningstar Managed Portfolio product has a fee schedule payable to Morningstar Investor Services, Inc. for each type of investment strategy (Mutual Fund, Exchange Traded Fund, or Stock portfolio) with a sliding scale that decreases as a percentage of the portfolio assets as the size of assets increases. The maximum Morningstar Investor Services, Inc. charge depends on investment strategy/product:

- 40 basis points or 4/10 of 1% annually for mutual fund portfolios,
- 30 basis points or 3/10 of 1% annually for exchange traded fund (ETF) portfolios, and
- 55 basis points or 5.5/10 of 1% annually for select stock baskets,

to which the above 1/10 of 1% of AUM Fuller Brook Financial Partners, LLC fee is added.

The annual financial plan update fee of \$450 will be paid in advance and will not be refunded after the plan or annual update is delivered to the client. The client's Investment Advisory Agreement with

FBFP is non-transferable without the client's written approval.

#### **Performance-based Fees and Side-by-side Management**

Fuller Brook Financial Partners, LLC does not charge performance-based fees.

#### **Types of Clients**

FBFP provides financial planning and investment advisory services to individuals, couples and families and small businesses. There is no minimum account size for financial planning services, and there is no minimum on the size or scope of a financial planning project. Morningstar does have account size minimums for the Managed Portfolio Program, \$50,000 of investable assets are required to initiate the program using the mutual fund strategies, \$25,000 is required to initiate an exchange traded fund (ETF) portfolio strategy, and \$100,000 for the strategist series stock baskets and \$250,000 for the custom series select stock baskets.

#### **Methods of Analysis, Investment Strategies and Risk of Loss**

Each client engagement will entail a review of the client's current financial situation, their life style, financial and investment goals, their time horizon, tolerance for risk and other factors to develop an appropriate financial plan and strategy for managing a client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for appropriate analysis and plan development. FBFP relies on the financial and other information provided by the client or their designees without the duty or obligation to validate the accuracy and completeness of such information. It is the responsibility of the client to inform FBFP of any changes in financial condition, goals or other factors that may affect this analysis.

During the course of analysis, planning and ongoing management of a client account FBFP may utilize research material prepared by others,



including financial periodicals and newsletters, analyses prepared by other financial professionals and consultations with lawyers, accountants and other financial advisers. FBFP also utilizes information obtained from regulatory releases, regulatory web sites, and conversations with regulators, information provided at conferences and other information obtained from regulatory sources.

In general, FBFP favors an investment strategy that is focused on developing an appropriate asset allocation for each client's individual situation, populating that allocation with passive index funds and rebalancing periodically to maintain the allocation. We favor the use of low cost no-load mutual funds and ETF products to meet specific client investment product needs.

FBFP does not guarantee the results of any financial planning engagement or the advice it gives. Significant losses can occur by using FBFP's advice or investing in any specific security.

#### **Disciplinary Information**

There is no disciplinary information to report concerning FBFP or any related individual.

#### **Other Financial Industry Activities and Affiliations**

FBFP provides financial education seminars and one-on-one consulting to clients of the PFE Group (a Goldman Sachs subsidiary).

#### **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

FBFP has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees. In addition, the Code of Ethics governs personal trading by each employee of FBFP deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of FBFP are conducted in a manner that avoids any actual or potential conflict of interest between such persons and clients. FBFP collects and maintains records of securities holdings and securities transactions effected by Access Persons. These

records are reviewed to identify and resolve potential conflicts of interest. FBFP maintains a code of ethics and they will provide a copy to any client or prospective client upon request.

FBFP and/or its representatives may from time to time purchase or sell products for their own account(s) that they may also recommend to clients. In such situations, the client's interests are considered first and at no time will the firm or its advisory representatives be permitted to trade ahead of client accounts. FBFP strictly prohibits any trading activity in its accounts or that of its representatives, which may be in contravention to the advice or recommendations given to clients.

Each client account, as well as the accounts of FBFP and its IAR, are managed and traded based on the unique circumstances of their respective investment goals, time horizon, financial condition, and tolerance for risk. More detail is available in the firm's Code of Ethics.

#### **Brokerage Practices**

FBFP does not have discretionary authority to select the broker or dealer for custodial and execution services and does not recommend any specific broker or dealer. The client will select the broker-dealer or custodian (herein "broker") to be used. Where FBFP does not exercise discretion over the selection of the broker, it may recommend brokers to clients for execution and/or custodial services where requested by the client. Clients are not obligated to use the recommended broker and will not incur any extra fee or cost associated with using a broker not recommended by FBFP. For holdings in Morningstar Managed Portfolios the default program custodian is Pershing Advisor Solutions although an alternative custodian may be selected by the client.

Fuller Brook does not receive research services, other products, or compensation as a result of recommending a particular broker that may result in the client paying higher commissions than those obtainable through other brokers.



### **Review of Accounts**

An FBFP Principal monitors accounts on an ongoing basis. The client will receive written statements no less than quarterly from their trustee or custodian. FBFP will conduct a formal review of a client's plan on an annual basis for those clients agreeing to renew the service. Plans may also be reviewed as a result of major changes in economic conditions, known changes in the client's financial situation, and/or large deposits or withdrawals in the client's account. The client is encouraged to notify FBFP if changes occur in his/her personal financial situation that might adversely affect his/her financial plan.

### **Client Referrals and Other Compensation**

FBFP does not have client referral relationships and does not pay fees to any other third party who may refer a client.

### **Custody**

FBFP does not take custody of any client funds or securities. Clients will receive periodic statements from the custodian they select and should review those statements carefully.

### **Investment Discretion**

Fuller Brook does not have any discretionary authority over trades made in client accounts. Clients are responsible for their own trade execution, or if part of the Morningstar Managed Portfolios Program discretion over trading decisions in the managed portfolio is held by Morningstar Investor Services, Inc.

### **Voting Client Securities**

FBFP will not vote, nor advise clients how to vote, proxies for securities held in client accounts. The client clearly keeps the authority and responsibility for the voting of these proxies. Also, FBFP cannot give any advice or take any action with respect to the voting of these proxies. The client and FBFP agree to this by contract.

For accounts subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan fiduciary specifically keeps the authority and responsibility for the voting of any proxies for securities held in plan accounts. Also, FBFP cannot give any advice or take action with respect to the voting of these proxies.

### **Financial Information**

FBFP does not accept or receive fees of more than \$1,200 in advance for services rendered. There are no financial conditions that would be reasonably likely to prevent FBFP from meeting its contractual commitments to its clients.

FBFP maintains a surety bond in the amount of \$10,000.

### **Requirements for State Registered Advisers**

\*\*\* NOTICE TO MASSACHUSETTS CLIENTS \*\*\*

**A disciplinary history of the Registrant or its representatives, if any, can be obtained by calling the Massachusetts Securities Division at (617) 727-3548.**

### **David M. Welch, CFP® Managing Principal**

David M. Welch, 69, graduated from the University of Rochester in 1975 with Bachelors degrees in Psychology and Political Science. He received his Master of Business Administration (MBA) from the State University of New York at Albany in 1979. He completed the course of study leading to a Certificate in Financial Planning from the Boston Institute of Finance at Boston University in 2009.

Before starting Fuller Brook Financial Partners, LLC in 2010 Mr. Welch was engaged in independent consulting and completing his course of studies at Boston University. From 2007 to 2008 Mr. Welch was a Managing Director and ran the Boston office of the SolomonEdwardsGroup, a finance and accounting professional services firm. Prior to that he was the Managing Director and ran the Boston office of Jefferson Wells International, Inc., a finance and accounting professional services firm providing accounting,



internal audit and technology services to middle market and Fortune 500 companies throughout New England.

Earlier in his career David was a Partner with PricewaterhouseCoopers, LLP where he focused on providing business advisory services to investment managers, mutual fund companies, trust companies and other financial services institutions.

#### **Disciplinary Information**

Mr. Welch does not have any disciplinary information to disclose. He has not been party to:

- any civil or criminal action in any domestic, foreign or military court
- any administrative proceeding before the SEC or any other federal regulatory agency, state regulatory agency, or any foreign financial regulatory authority,
- any self-regulatory organization proceeding.

Mr. Welch has not been the subject of an award or otherwise held liable in any arbitration claim alleging damages in excess of \$2,500, and has never been the subject of a bankruptcy petition.

#### **Other Business Activities and Additional Compensation**

Mr. Welch is engaged in one other business activity. Mr. Welch provides consulting services to the PFE Group, Inc. (a subsidiary of Goldman Sachs Group) in Southborough, Massachusetts and is compensated on an hourly basis for his services. Mr. Welch does not receive any other compensation or economic benefit from any third parties.

#### **CFP® Certification Explanation**

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 62,000 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, administered in 10 hours over a two-day period, 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 *Code of Ethics and Standards of 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.