

Item 1 – Cover Page

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This brochure provides information about the qualifications and business practices of MacDougall Financial Counseling. If you have any questions about the contents of this brochure, please contact us at 724-468-1300 or [lanny@macdougallfinancial.com](mailto:lanny@macdougallfinancial.com). 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.

Additional information about MacDougall Financial Counseling is also available on the SEC's website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

## Item 2 – Material Changes

As material changes occur in our firm, including material changes in our structure, personnel or offerings, we will update our brochure and highlight changes in this section.

### Item 3 – Table of Contents

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### Item 4 – Advisory Business

A. MacDougall Financial Counseling has been in business since 1988. We were previously known as Schofield Financial Counseling, but a name change was made in 2011 to reflect the on-going change of ownership. The 100% owner and President is Allan MacDougall. Mr. MacDougall was born in 1949 and graduated in 1973 with a BA from Stanford. Prior to purchasing Schofield Financial Counseling, he served as COO of Creative Products, CFO of Berkley Process Control, and as an officer at PNC, Bank of Boston & Mellon. Mr. MacDougall previously served on the Board of the Children’s Institute in Pittsburgh, PA and the Balmoral School of Bagpiping.

B. MacDougall Financial provides comprehensive financial planning services to clients. These services include advice on allocations, selection and evaluation of investment managers, tax planning, estate planning, insurance coverage and other financial questions raised by clients.

C. Although MacDougall Financial typically has discretionary authority on client accounts, in practice we endeavor to notify clients of our recommended investment changes & while we attempt to get their approval, we will move forward with changes after a week or so if client does not reach out to us with objections. We tailor our services to the individual needs of the client through personal meetings, discussions & reviews. For example, a client may request either protection of principal or “income” based investments and we will structure the portfolio accordingly. We also will accept investment restrictions from clients and will do our best to honor that restriction.

D. We do not participate in any “wrap fee” programs. We receive no commissions from any products we recommend excepting life insurance.

E. As of 12/31/20 we managed 430 accounts with a dollar value of approximately \$397,000,000 on a discretionary basis. At that time, we did not manage any accounts on a non-discretionary basis. We currently work with two account custodians. TD Ameritrade is our main custodian, but we also maintain a relationship with Fidelity Investments. Fidelity Investments has a policy of charging an investment advisor a quarterly fee if their custody account balance drops below a pre-determined dollar amount. This fee is paid directly by MacDougall Financial Counseling. While we realize there could be a conflict of interest by MacDougall Financial recommending that a client maintain or establish a custodial relationship with Fidelity, it is our policy to discuss & document this recommendation to our clients. Please note, we would not recommend a Fidelity custodial relationship for a client if there was a negative impact on client. A comparison of TD Ameritrade & Fidelity costs and investment opportunities would be presented to the client prior to any custodial changes being made. Any custodial change would be documented in the client’s permanent MacDougall Financial file.

#### Item 5 – Fees and Compensation

A. Retainer fees are negotiated with each prospective client and are dependent on MacDougall Financial Counseling’s judgment of time required and complexity of each client’s situation. These annual retainer services are typically in the \$3,000 to \$10,000 range or greater amounts when MacDougall Financial performs significant administration or trust services for clients. Most clients are on a semi-annual billing cycle. Our on-going annual retainers include an annual escalator calculated using the previous calendar year’s CPI-U, plus 3%. Client planning fees are payable to MacDougall Financial. Retainers are subject to cancellation by either party at any time with no penalty.

B. We normally do not deduct our fees directly from client accounts.

C. Clients may also purchase insurance through MacDougall Financial Counseling, for which MacDougall Financial receives a commission. Clients are made aware that if they invest in no-load mutual funds they indirectly pay a management fee, which has no relation to the fee paid to MacDougall Financial. Clients will also incur brokerage fees and other transactions costs. Please see Item 12 for additional brokerage information.

D. Clients may pay their fees in advance. A client may obtain a refund of a pre-paid fee if the retainer is terminated before the end of the billing period. All fees are pro-rated to the termination date and no penalty fees are charged.

E. MacDougall Financial employees do not receive any compensation for the sale of securities or other investment products.

Item 6 – MacDougall Financial does not participate in Performance Based Fees or Side-by-Side Management.

Item 7 – Types of Clients

MacDougall Financial provides investment advice to individuals, trusts, charities and occasionally pension plans. There are no minimum requirements for opening or maintaining an account.

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

A. MacDougall Financial deals almost exclusively with no-load mutual funds and exchange traded funds. We review these funds on an on-going basis and particularly semi-annually as performance reports are prepared. MacDougall Financial's criteria for mutual fund investments involve funds with at least 3-5 year track records with the same management team. We prefer funds with lower or competitive expense ratios and in the top quartile for performance records. We believe that we reduce our risks by keeping our investments diversified through the use of no-load mutual funds, but we also attempt to inform our clients that investing always involves some amount of risk.

B. & C. The material risk involved with mutual funds would be a fund being too heavily weighted in one particular position, or a sudden change to the investment team or strategy of the fund. Our preference is to pick funds from well-established fund houses with longer track records from a seasoned management team. In most cases we expect to hold the funds for at least 1-3 years and often longer. We diversify the funds across both the capitalization (small to large) and the geographic spectrums. Most portfolios have an equity bias. Our fixed income exposure is achieved through bond funds managed by Vanguard, PIMCO, Goldman Sachs & others.

Item 9 – Disciplinary Information:

At this time, MacDougall Financial is not involved in any disciplinary actions, criminal or civil.

Item 10 – Other Financial Industry Activities & Affiliations

A. & B. No MacDougall Financial employee is registered, or has an application pending to register as a broker-dealer, a registered representative of a broker-dealer, a futures commission commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

C. MacDougall Financial on occasion recommends securities (mostly mutual funds) to clients in which they already have financial interest or expect to acquire such interest: in any such instance MacDougall's interest will be disclosed to the client. Similarly, if we intend to invest in a security simultaneously being recommended to a client, the client will be informed of this fact. MacDougall does not have any specific internal restrictions on such instances of having an interest in securities recommended to clients, but follows a rigorous policy of fully disclosing such instances to clients.

Occasionally MacDougall Financial will recommend insurance products to clients. Allan MacDougall is a licensed insurance agent through Pittsburgh Brokerage Services, aka Capitas Financial. We utilize Capitas to obtain competitive insurance quotes for our client's insurance needs. Commissions received for these insurance products can be refused depending on client's preference.

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

A. MacDougall Financial's Code of Ethics states clearly that we intend to conduct business ethically and that this code will be strictly enforced. Any violations to the Code by any supervised person will be reported to the President for appropriate action. Any client or prospective client will be provided with a copy of our Code of Ethics upon request.

B. MacDougall Financial employees and related persons do not have a material financial interest in any securities.

C. & D. MacDougall Financial maintains an Employee Security Holdings & Transactions Log which is reviewed quarterly. This is to avoid a conflict of interest for security purchases done by a firm employee of the same security also recommended for clients. Mr. MacDougall's personal investments are reviewed quarterly by employee, Teri Savage. All employees and Mr. MacDougall submit a quarter-end account statement with a full list of assets for all their accounts.

#### Item 12 – Brokerage Practices

A. When selecting a broker-dealer that we recommend to clients, we first conduct a review of discount brokers and what products they provide to clients along with what cost would be imposed on that client's accounts. Our utmost concern was a long standing, nationally known company that could provide all necessary reporting services at the lost cost available to our clients. We have worked with all major custodians and now use TD Ameritrade Institutional and Fidelity Institutional for client accounts

MacDougall Financial does not deal in Soft Dollar transactions and does not require a client to deal with any specific broker-dealer. However, if a client decides to use a broker-dealer not recommended by MacDougall Financial, the client is informed that MacDougall cannot provide the most favorable of executions and that this practice may cost the clients more money. Our goal is to provide the best service at the most cost-effective manner and normally this is directly on-line, through the institutional web platform of the third party custodian.

B. MacDougall Financial does not aggregate trades. Since MacDougall Financial does not run models, we typically do not have the opportunity to aggregate.

#### Item 13 – Review of Accounts

MacDougall Financial provides semi-annual performance reviews to clients, covering the performance of mutual funds and managed accounts held by the client. All such reviews are completed by Allan MacDougall. In addition, any custodian of the client's assets sends a monthly statement directly to the client. Additional reviews will be conducted at the request of a client, or if a "life event" triggers an immediate review of a client's financial situation. These semi-annual, computer generated reports include the date of report dollar values, four years of calendar performance and 3- and 5- year average performance numbers. They are normally accompanied by a general statement of market conditions over the report period along with investment recommendations if needed.

#### Item 14 – Client Referrals and Other Compensation

MacDougall Financial does not accept economic benefits for investment related recommendations or advice for our clients. We also do not compensate for client referrals.

#### Items 15 – Custody

In accounts where MacDougall Financial has custody of funds (primarily in trusts or foundations where A. MacDougall is either trustee or investment advisor), the third-party custodian provides duplicate monthly statements to an outside party (i.e. co-trustee, grantor, beneficiary etc.) either electronically or in paper form. MacDougall strongly urges the outside party recipient to review these statements and compare them to the semi-annual performance reports generated by MacDougall Financial. Recipients are instructed to report any discrepancies to MacDougall immediately.

#### Item 16 – Investment Discretion

MacDougall Financial will accept discretionary authority to manage security accounts for trust/foundation accounts where the trustee/trustees have signed either a POA or an “authorized check signer” form from the custodian. At times MacDougall Financial will sign a check for a routine payment (i.e. tax payment, beneficiary distribution etc.) from a trust/foundation. Any non-routine payment requires confirmation from the trustee prior to disbursement of a check. If cash is needed to cover the payment, MacDougall will attempt (but are not dependent on) to gain the necessary approval for the security sale. The trustee is provided with a monthly statement to see any activity on the account. Routine disbursements are discussed and agreed upon with client/trustee prior to MacDougall receiving authorization to disburse checks for the account.

#### Item 17 – Voting Client Securities

A. & B. MacDougall does not vote client proxies. Clients will receive proxies directly from the custodian and are permitted to discuss their voting issues prior to voting their own proxies. MacDougall will only vote securities where he is either Trustee or co-Trustee.

#### Item 18 – Financial Information:

We do not require or solicit more than \$1,200 of fees per client more than six months in advance.