

Item 1 – Cover Page

Allan MacDougall
MacDougall Financial Counseling
2364 Route 66
Delmont PA 15626
www.macdougallfinancial.com

Phone: 724-468-1300
FAX: 724-468-1301

January 1, 2024

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. 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.

Item 2 – Material Changes

MacDougall Financial is amending this brochure to include the following:

- Update of our current custodial relationships. Due to the TDA-Schwab merger, we have moved our custodial relationship to BNY Mellon Pershing.
- Update of the ownership structure of MacDougall Financial Counseling. Allan MacDougall III went from a 100% owner to an 80% owner, and Elizabeth L MacDougall became a 20% owner.
- Update on separately managed accounts. MacDougall Financial Counseling ended all sub-manager management (Snow Capital and Neuberger Berman).

Item 3 – Table of Contents

Item Number	Item	Page
2	Material Changes	2
4	Advisory Business	3
5	Fees & Compensation	4
6	Performance Based Fees	5
7	Types of Clients	5
8	Methods of Analysis, Invst. Strategies	5
9	Disciplinary Information	6
10	Other Financial Industry Activities	6
11	Code of Ethics	6
12	Brokerage Practices	7
13	Review of Accounts	7
14	Additional Compensation	8
15	Custody	8
16	Investment Discretion	8
17	Voting Client Securities	8
18	Financial Information	9

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 change of ownership. Allan MacDougall is President and 80% owner. Elizabeth L MacDougall is Vice President and 20% owner. 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. Elizabeth L MacDougall was born in 1995 and graduated in 2018 with a BSBA from the University of Richmond. Prior to joining MacDougall Financial Counseling, she worked in Private Equity at Aldrich Capital Partners. She completed the Certified Private Wealth Advisor (CPWA®) designation in 2023. Ms. MacDougall serves on the Board of The Children’s Institute in Pittsburgh, PA.

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 several weeks if a client does not reach out to us with objections. We tailor our services to the individual needs of the client through personal meetings, discussions and 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.

D. We do not participate in any “wrap fee” programs. We receive no commissions from any products we recommend excepting life insurance, which can be waived at the request of the client.

E. As of 12/31/23 we managed 401 accounts with a dollar value of approximately \$381,000,000 on a discretionary basis. At that time, we did not manage any accounts on a non-discretionary basis. We currently work with one account custodian, BNY Mellon Pershing. Charles Schwab holds a small amount of assets (sub \$4M) at year end due to some delayed account transfers from the TD Ameritrade – Schwab merger. However, MFC does not maintain a Schwab custodial relationship.

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 \$20,000 range or greater amounts when MacDougall Financial performs significant administrative 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 bill our clients by mail or email, and they can pay us either by check or, upon request, we will deduct our fees directly from client accounts.

C. Clients may also purchase life 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 transaction 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.

F. 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.

Under this special rule's provisions, we must: a) Meet a professional standard of care when making investment recommendations (give prudent advice); b) Never put our financial interests ahead of yours when making recommendations (give loyal advice); c) Avoid misleading statements about conflicts of interest, fees, and investments; d) Follow policies and procedures designed to ensure that we give advice that is in your best interest; e) Charge no more than is reasonable for our services; and f) Give you basic information about conflicts of interest.

A potential conflict of interest arises when we recommend rolling over a 401k plan or other outside retirement account plans to an IRA held at our brokerage firms. We do not charge based on Assets Under Management, so the movement of these accounts does not directly affect a client's fees. However, fees often increase as a result of these transfers because it materially increases the work performed by MacDougall Financial. To mitigate this conflict of interest, we ensure that we document all potential advantages and disadvantages of the transfer, including but not limited to: changes in investment fees, changes in availability of investment products, and changes in service.

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 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, Doubleline, JP Morgan & 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 a 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 lowest cost available to our clients. We have worked with all major custodians and now use BNY Mellon Pershing 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 client 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 and the two supervised persons, Kurt Savage and Elizabeth L 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.

On occasion, MacDougall Financial will recommend a mutual fund that provides auxiliary benefits, such as education seminars or programs. MacDougall Financial maintains relationships with numerous mutual fund distributors, and the availability of conferences and other programs does not determine the funds we recommend. No compensation for attendance at these seminars or events is provided to MacDougall Financial.

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.