

**Item 1: Cover Page**

**Part 2A of Form ADV: Firm Brochure**

**J.H. White Financial Services, LLC**

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3/20/2015

This brochure provides information about the qualifications and business practices of J.H. White Financial Services, LLC, referred to as “J.H. White Financial” throughout this document. If you have any questions about the contents of this brochure, please contact us at 484-986-2002 or [jhwhite@jhwfs.com](mailto:jhwhite@jhwfs.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 J.H. White Financial Services, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 127780.

J.H. White Financial Services, LLC is a Registered Investment Advisor. Registration does not imply an endorsement by any regulatory authority, nor does it imply a certain level of skill or training.

## Item 2: Material Changes

Material changes since the last annual brochure dated April 15, 2014:

- The phone number as of June 1, 2015 will be 484-986-2002. The existing phone number 610-469-0647 will remain operational until 9/1/2015 to ensure a smooth transition. (Item 1)
- Financial Planning is now included in the Investment Management service. Previously they were separately billed services. (Item 4)
- The minimum assets under management level of \$75,000 has been removed. (Item 5)
- We've added the Financial Focus program for \$495. This program is designed to provide guidance to one specific topic (i.e., cash-flow, tax planning, saving for college). This includes a 60 to 90 minute appointment via phone, Internet or in person for a discussion. A follow-up email is included with a one-page attachment with written recommendations so the clients can take actions immediately. 30 days of unlimited email for questions that arise in conjunction with the topic or situation addressed are provided. (Item 4)
- The hourly financial planning fee is now \$200. This is changed from "between \$125 - \$175." (Item 5)
- The new Financial Planning and Investment Management Fee structure is as follows. (Items 4 & 5)

\$0 - \$250,000	1.25%
\$250,001 - 500,000	1%
\$500,001 - \$1,000,000	.8%
\$1,000,001 - \$2,000,000	.7%
\$2,000,001 - \$3,000,000	.6%
\$3,000,001 - \$5,000,000	.5%
\$5,000,001 - \$7,000,000	.4%
\$7,000,001 - \$10,000,000	.3%
\$10,000,001 +	.25%

- Limited negotiability of fee is no longer permitted. (Item 5)
- Due to improved technology quarterly performance reporting by J.H. White Financial will be replaced by an online portal that provides immediate reporting on performance, allocation, and holding information. (Item 13)

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#### Item 4: Advisory Business

J.H. White Financial is a state-registered investment adviser, founded in 2004, with its principal place of business located in Pennsylvania. Our firm and its associates may register or meet certain exemptions to registrations and/or licensing in other jurisdictions in which we conduct investment advisory business. James H White Jr. is the principal owner of the firm.

#### Services Offered

*Financial Planning and Investment Advisory*

J.H White Financial guides clients through the ongoing financial planning process:

- Setting goals
- Evaluating options
- Developing recommendations and action items
- Facilitating implementation
- Ongoing monitoring
- Making adjustments to reflect life changes

The specific issues we discuss reflect the client's particular financial and personal circumstances and typically fall within these core areas:

- Goals clarification and prioritization
- Cash flow and debt management
- Retirement planning
- College education planning
- Tax planning
- Risk management
- Estate planning
- Investment strategy, selection, and monitoring

Financial Planning and Investment Advisory services are offered on an ongoing basis. The frequency of meetings reflects each client's needs. Generally, there are at least 3 meetings in the first 12 months. We schedule meetings on an as-needed basis to proactively address ongoing financial planning issues, with at least 1 annual meeting to update our analysis and recommendations. In addition, we rely on clients to contact us when there are new issues or changes imminent.

## *Comprehensive Financial Planning*

A Comprehensive Financial Plan is designed to help the client with all aspects of financial planning without ongoing investment management. The financial plan may include, but is not limited to: a net worth statement; a cash flow statement (a budget); a review of investment accounts, including reviewing asset allocation and offering repositioning recommendations; strategic tax planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations. Detailed investment advice and specific recommendations may be offered as part of a financial plan.

J.H. White Financial first conducts an initial interview and gathers data to assist the client in determining specific needs, goals, objectives and tolerance for risk. We then prepare an analysis of the current financial situation and possible future scenarios, when appropriate. Next, J.H. White Financial presents the analysis and a written summary of the significant observations, assumptions and recommendations in each area in which we are engaged to provide advice. We work with the client to delve deeper into relevant planning areas and address questions that arise as follow-up. Periodic financial check-ups and portfolio reviews are recommended, and it is the client's responsibility to initiate these reviews.

### *Financial Planning Fee Offset:*

If the client chooses to retain J.H. White Financial for ongoing Financial Planning and Investment Management within one year of the Comprehensive Financial Planning service, 50% of the fees charged for the Comprehensive Financial Planning will offset the Financial Planning and Investment Management fees.

### *Financial Focus Program - \$495*

This program is designed to provide guidance for one specific topic. The topics may include budgeting, saving for retirement or college, insurance, estate or tax planning, or limited investment advice. This includes a 60 to 90 minute appointment via phone, Internet or in person for a discussion. A follow-up email is included with a one-page attachment with written recommendations so the clients can take actions immediately. 30 days of unlimited email for questions that arise in conjunction to the topic or situation addressed is included.

Please note that if you are in need of more detailed financial planning or investment consultation, we recommend our Comprehensive Financial Planning services.

Implementation of the recommendations is at the discretion of the client. The client is free to accept or reject any advice or recommendation we may make.

### *Tailored Relationships*

The goals, objectives, and risk tolerance for each client are identified in meeting, discussion and data collected from clients. For Investment Management clients, Investment Policy Statements are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities. Agreements may not be assigned without client consent.

### **Non-Participation in Wrap Fee Programs**

J.H. White Financial, as a matter of policy and practice, does not sponsor any wrap fee program. A wrap fee program is defined as any advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisors) and the execution of client transactions.

### **Assets**

As of March 1, 2015, J.H. White Financial manages approximately \$18M in assets for approximately 42 clients on a discretionary basis.

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

We are a fee-only firm and do not receive commissions or referral fees for products or services which we recommend to clients. J.H. White Financial bases its fees on a percentage of assets under management or scope of work required to perform a financial planning project.

Please note, unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the Investment Advisory and Financial Planning Agreement, the Comprehensive Financial Planning Agreement, or the Financial Focus Agreement the client may terminate the agreement within five (5) business days of signing any contract without incurring any fees.

Fees are not negotiable. Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

### **Financial Planning and Investment Management**

Investment Management fees are billed quarterly, in arrears, meaning that clients are invoiced after the three-month billing period has ended. Payment in full is expected upon invoice presentation. Fees are sometimes deducted from a designated client account to facilitate payment of the quarterly fee.

J.H. White Financial possesses written authorization from the client to deduct advisory fees from an account held by a qualified custodian. J.H. White Financial sends the qualified custodian written notice of the amount of the fee to be deducted from the client's accounts. J.H. White Financial will provide the client with an invoice, including the formula used to calculate the fee and the time period covered by the fee and the amount of assets under management on which the fee was based.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Clients are provided the following billing schedule in the Investment Advisory and Financial Planning Contract. The fees are based upon a percentage of assets under management.

<u>Assets Managed</u>	<u>Fee</u>
\$0 - \$250,000	1.25%
\$250,001 - 500,000	1%
\$500,001 - \$1,000,000	.8%
\$1,000,001 - \$2,000,000	.7%
\$2,000,001 - \$3,000,000	.6%
\$3,000,001 - \$5,000,000	.5%
\$5,000,001 - \$7,000,000	.4%
\$7,000,001 - \$10,000,000	.3%
\$10,000,001 +	.25%

***Termination of the Investment Advisory and Financial Planning Relationship:*** A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. *In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period*

### **Comprehensive Financial Planning Fees**

The Comprehensive Financial Planning fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Financial Planning fees are calculated and charged on an hourly basis of \$200 per hour. Although the length of time it will take to provide a Comprehensive Financial Plan will depend on each client's personal situation, we will provide an estimate for the total hours at the start of the advisory relationship.

***Termination of the Comprehensive Financial Planning Relationship*** The term of this agreement shall be continuous until the financial plan is completed. Either party may terminate this Agreement upon giving written notice to the other party. If this Agreement is terminated and fees are due to the Advisor, the Advisor will send an invoice to the client. The client agrees to pay this invoice within ten business days of receiving the invoice. Notwithstanding any other provision in this Agreement, the client may terminate this Agreement within five business days of its effective date without payment of any fee for the Advisor's services.

### **Financial Planning Fee Offset:**

If the client chooses to retain J.H. White Financial for ongoing Financial Planning and Investment Management within one year of the Comprehensive Financial Planning service, 50% of fees charged for the Comprehensive Financial Planning will offset the Financial Planning and Investment Management fees.

#### *Financial Focus Program*

Our Financial Focus fee is \$495, and each session ranges from 60 to 90 minutes. Fees are due in advance of each session. The Financial Focus Fees are not negotiable and only in unique circumstances will our Chief Compliance Officer approve a discounted or modified payment term.

***Termination of the Financial Focus Relationship:*** The term of this agreement shall be continuous until the financial analysis is completed. Either party may terminate this Agreement upon giving written notice to the other party. If this Agreement is terminated by the client five business days after its effective date the fee is will not be refunded. Termination by J.H. White Financial will result in a full refund. Notwithstanding any other provision in this Agreement, the client may terminate this Agreement within five business days of its effective date for a full refund of all fees paid.

***Fund Fees:*** All fees paid to J.H. White Financial for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed to, among other things, assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client, and to thereby evaluate the advisory services being provided.

***Additional Fees and Expenses:*** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including, but not limited to, any transaction charges imposed by a broker-dealer with which an independent investment manager affects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

***Grandfathering of Minimum Account Requirements:*** Pre-existing advisory clients are subject to the minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

***ERISA Accounts:*** J.H. White Financial is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"),



respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, J.H. White Financial may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset J.H. White Financial's advisory fees.

**Advisory Fees in General:** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

**Limited Prepayment of Fees:** Under no circumstances do we require or solicit payment of fees in excess of \$495 more than six months in advance of services rendered.

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

J.H. White Financial does not charge performance-based fees.

### **Item 7: Types of Clients**

J.H. White Financial provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals) and Families
- High net worth individuals
- Corporations or other businesses not listed above
- Trusts, Estates, and Charitable Organizations

There is no minimum account size.

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

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

**Fundamental Analysis.** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Asset Allocation.** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry, or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

**Mutual Fund and/or ETF Analysis.** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions.

We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

**Risks for all forms of analysis.** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## *INVESTMENT STRATEGIES*

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-term purchases.** We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or

- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

**Short-term purchases.** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy, and will possibly result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

**Risk of Loss.** Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

### **Item 9: Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Our firm and our management personnel have no reportable disciplinary events to disclose.

### **Item 10: Other Financial Industry Activities and Affiliations**

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

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

Our firm has adopted a Code of Ethics that sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. 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 professional manner in all professional services and activities.

J.H. White Financial and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics, but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Our Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [jhwhite@jhwfs.com](mailto:jhwhite@jhwfs.com), or by calling us at 484-986-2002. Our Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of our employees will not interfere with (1) making decisions in the best interest of advisory clients, and (2) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

### **Item 12: Brokerage Practices**

J.H. White Financial does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.

J.H. White Financial requires that clients provide us with written authority to determine the broker-dealer to use and the commission costs that will be charged to our clients for these transactions.

Clients must include any limitations on this discretionary authority in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

J.H. White Financial may aggregate orders in a block trade or trades when securities are purchased or sold for multiple (discretionary) accounts. If a block trade cannot be executed in full at the same price or

time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage particular client accounts.

The primary objective in placing orders for the purchase and sale of securities for client accounts is to obtain the most favorable net results, taking into account such factors as (1) price, (2) size of order, (3) difficulty of execution, (4) confidentiality, and (5) skill required of the broker. J.H. Financial will execute its transactions through an unaffiliated broker-dealer.

J.H. White Financial participates in the institutional customer program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers services to independent investment advisers which include custody of securities, trade execution, clearance, and settlement of transactions. J.H. White Financial receives some benefits from TD Ameritrade through our participation in the program.

J.H. White Financial participates in TD Ameritrade's Institutional customer program, and we may recommend TD Ameritrade to our clients for custody and brokerage services. There is no direct link between our firm's participation in the program and the investment advice we give to our clients, although we receive economic benefits through our 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): duplicate client statements confirmations; research related products and tools; consulting services; access to a trading desk serving adviser 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 J.H. White Financial by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by J.H. White Financial's related persons.

Some of the products and services made available by TD Ameritrade through the program may benefit J.H. White Financial, but may not benefit our client accounts.

These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by J.H. White Financial through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by J.H. White Financial or our related persons in and of itself creates a potential conflict of

interest and may indirectly influence our recommendation of TD Ameritrade for custody and brokerage services.

J.H. White Financial also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment advisers participating in the program. Specifically, the Additional Services include Morningstar Workstation to provide research of investment securities. TD Ameritrade provides the Additional Services to our firm at its sole discretion and at its own expense, and J.H. White Financial does not pay any fees to TD Ameritrade for the Additional Services. J.H. White Financial and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

J.H. White Financial's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to our firm, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, our client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with J.H. White Financial at its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, we may have an incentive to recommend to our clients that the assets under management by us be held in custody with TD Ameritrade, and to place transactions for client accounts with TD Ameritrade.

J.H. White Financial's receipt of Additional Services does not diminish our duty to act in the best interests of our clients, including seeking best execution of trades for client accounts.

### **Item 13: Review of Accounts**

We conduct a review of the client's investments as part of our Financial Planning and Investment Advisory service. These accounts are reviewed at least monthly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by: James H. White or George C. Bentley.

**REPORTS:** Monthly statements and confirmations of transactions will be sent to the client from the custodian. Our clients now have access to an online portfolio analysis and performance portal. This secure portal provides immediate up-to-date data summarizing account performances, balances, and holdings. The client also has the ability to select a performance time frame of their choosing, quarterly, monthly, annually, weekly or their own preferred time frame. This online portal replaces quarterly statements.

#### **Item 14: Client Referrals and Other Compensation**

It is the policy of J.H. White Financial not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is the policy of J.H. White Financial not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

#### **Item 15: Custody**

Our firm does not have actual or constructive custody of client accounts.

All assets are held at qualified custodians, which mean the custodians provide account statements directly to clients at their address of record, or digitally via the custodian's website.

#### **Item 16: Investment Discretion**

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

#### **Item 17: Voting Client Securities**

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings, or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We do not offer any consulting assistance regarding proxy issues to clients.

### **Item 18: Financial Information**

Under no circumstances do we require or solicit payment of fees in excess of \$495 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

An advisory firm that maintains discretionary authority for client accounts is required to provide a copy of our firm's balance sheet. We are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. J.H. White Financial has no additional financial circumstances to report.

J.H. White Financial has not been the subject of a bankruptcy petition at any time during the past ten years.

### **Item 19: Requirement for State-Registered Advisers**

The following individuals are the principal executive officers and management persons of J.H. White Financial Services, LLC: James H. White.

Information regarding the formal education and business background for each of these individuals is provided in their respective Brochure Supplements.

In addition to the information provided in Item 10, "Other Financial Industry Activities and Affiliations", J.H. White Financial is also actively engaged in providing the following non-advisory services:

Tax preparation for individuals and sole proprietorships. J.H. White Financial spends less than 500 hours annually on tax preparation.

We are required to disclose all material facts regarding certain legal or disciplinary events pertaining to arbitration awards or other civil, regulatory, or administrative proceedings in which our firm or management personnel were found liable, or against whom an award was granted.

J.H. White Financial has not been found liable in any arbitration claims.

J.H. White Financial has not been found liable in any civil, self-regulatory organization, or administrative proceeding.

J.H. White Financial and its management persons do not have any relationship or arrangement with any issuer of securities.