Item 1 – Cover Page

Registered as Valpey Financial Services, LLC | CRD No. 154154

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Form ADV Part 2A – firm Disclosure Brochure

March 27, 2024

This Brochure provides information about the qualifications and business practices of Valpey Financial Services, LLC. If you have any questions about the contents of this Brochure, please contact us at 603-856-7945 or ron@valpeyfinancialservices.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. Valpey Financial Services, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information that can be helpful in hiring or retaining an adviser. Additional information about Valpey Financial Services, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

There have been no material changes to this disclosure brochure since the previous annual amendment.

If during the course of the year there are material changes to this brochure, clients will be promptly notified, and we will provide you with a new Brochure as without a charge. Currently, our Brochure may be requested by contacting Ron Valpey at 603-856-7945 or ron@valpeyfinancialservices.com.

Additional information about Valpey Financial Services, LLC is available via the SEC's web site www.adviserinfo.sec.gov.

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Item 4 – Advisory Business

Valpey Financial Services, LLC (herein known as VFS) is a limited liability corporation organized under New Hampshire law and registered with the Securities & Exchange Commission. VFS maintains its primary office in Concord, NH and also maintains a satellite office in Dover, NH (no client information or required books or records are maintained at this satellite location). VFS is solely owned by Ronald L. Valpey and has been in business since July 1, 2010 as a fee-only investment adviser.

Asset Management

As a fee-only investment advisor, the firm is compensated solely by our clients. There are no commissions, payments or compensation contingent upon the purchase or sale of financial products or plans. We have a fiduciary duty to provide unbiased advice, disclose and mitigate conflicts of interest and to do what is in your best interest.

- We do not work on commissions, have hidden fees.
- We do not create client statements or have access to withdraw client funds.
- An independent third-party custodian holds client funds, issues statements and mails the statements directly to clients.

VFS offers a combination of the following advisory services, where appropriate, to individuals, high net worth individuals, pension and profit-sharing plans and corporations or other business entities.

Wrap Fee Program

A wrap fee program is a comprehensive advisory account with a single fee that covers a bundle of services, such as, portfolio management, advice, and investment research as well as trade execution, custody and reporting fee. The fee is not based directly upon advisory services or the execution of transactions.

- VFS does not participate in any wrap fee program.

Financial Planning

VFS provides financial planning advice via a financial needs analysis. Clients who request so, will receive a customized plan designed to help achieve stated financial goals and objectives. Information for the plan is gathered through personal interviews and includes current financial status, future goals and attitudes towards risk. In general, the financial plan will address any or all of the following areas of concern:

- Personal – Financial goals
- Cash Flow – Pre-tax withdrawal analysis
- Death & Disability – Cash needs at death and disability income analysis
- Retirement – Analysis of current strategies and investment plans to help achieve retirement goals.

The principal officers, employees and advisory representatives of VFS can also be licensed as insurance agents. VFS individuals in their separate capacities as insurance agents can suggest insurance products and strategies, but do not sell insurance products, receive any commissions or share in any commissions related to any insurance products that you purchase. VFS individuals can, upon your request, refer you to insurance specialists but you are not under any obligation to use these specialists. The implementation of any or all insurance recommendations or strategies is solely at the discretion of the client.

Portfolio Investment Management Services

The firm provides continuous portfolio management services. These services will include selecting or recommending investments to a client or making investments for a client based on the individual needs of the client. At the time of the client's initial engagement, the investment adviser representative will assist the client in determining the client's current financial situation, financial goals and objectives, and attitudes towards risk. This determination will allow the investment adviser representative to review the client's situation and determine an appropriate asset allocation plan.

Account supervision is guided by the stated objectives of the client (i.e., aggressive, moderately- aggressive, moderate, moderately conservative or conservative). We then develop a personal investment policy and construct and manage your portfolio based on that policy. The investment adviser representative will implement or make recommendations with respect to changes to a client's account based on market, economic and political circumstances, and the individual characteristics of securities

We will create a portfolio consisting of, but not limited to the following types of investment:

- **Cash Positions** – Based on perceived or anticipated market conditions or events, certain assets may be taken out of the market and held in a defensive cash position, such as high yield money markets. Cash is not included as assets subject to the agreed-upon advisory fee. The firm generally invests client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper or government-backed debt instruments.

- **Equity** – Investments that generally refer to buying shares of stocks in return for receiving a future payment of dividends and capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environment.

- **Exchange Traded Funds (ETFs)** – An ETF is a portfolio of securities invested to track a market index like an index mutual fund, but the shares are traded on an exchange like an equity. An ETF share price fluctuates intraday depending on market conditions instead of having a net asset value (NAV) that is calculated once at the end of the day. The shares may trade at a premium or discount; and as a result, investors pay when purchasing shares and receive more or less than when selling shares. The supply of ETF shares is regulated through a mechanism known as creation and redemption that involves large, specialized investors, known as authorized participants (APs). Authorized participants are large financial institutions with a high degree of buying power, such as market makers, banks or investment companies that provide market liquidity. When there is a shortage of shares in the market, the authorized participant creates more (creation). Conversely, the authorized participant will reduce shares in circulation (redemption) when supply falls short of demand. Multiple authorized participants help improve the liquidity of a particular ETF and stabilize the share price. To the extent that authorized participants cannot or are otherwise unwilling to engage in creation and redemption transactions, shares of an ETF tend to trade at a significant discount or premium and may face trading halts and delisting from the exchange. The performance of ETFs is subject to market risk, including the complete loss of principal. ETFs also have a trading risk based on cost inefficiency if the ETFs are actively traded and a liquidity risk if the ETFs has a significant price spread and low trading volume. In addition, investors buying or selling shares in the secondary market pay brokerage commissions, which is a cost not incurred by mutual funds. Like mutual funds, shares of an ETF represent partial ownership of an underlying portfolio of securities.

- **Exchange-Traded Notes (ETNs)** – An ETN is a senior unsecured debt obligation designed to track the total return of an underlying market index or other benchmark. ETNs may be linked to a variety of assets, for example, commodity futures, foreign currency and equities. ETNs are similar to ETFs in that they are listed on an exchange and can typically be bought or sold throughout the trading day.

- **Fixed Income** – Investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment-grade debt and structured products. For example, mortgage and other asset-backed securities, although individual bonds may be the best-known type of fixed income security. In general, the fixed income market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is often more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation-linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of Investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

- **Mutual Funds** – A pool of funds collected from many investors to invest in securities such as stocks, bonds, money market instruments and similar assets.

    - **Open-End Mutual Funds** – A type of mutual fund that does not have restrictions on the amount of shares the fund will issue and will buy back shares when investors wish to sell. Investing in mutual funds carries the risk of capital loss, and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature.

    - **Closed-End Mutual Funds** – A type of mutual fund that raises a fixed amount of capital through an initial public offering (IPO). The fund is then structured, listed and traded like a stock on a stock exchange. Clients should be aware that closed-end funds available within the program are not readily marketable. To provide investor liquidity, the funds may offer to repurchase a certain percentage of shares at net asset value periodically. Thus, clients may be unable to liquidate all or a portion of their shares in these types of funds.

    - **Alternative Strategy Mutual Funds** – Certain mutual funds available in the program invest primarily in alternative investments and strategies. Investing in alternative investments or strategies may not be suitable for all investors and involves unique risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes and possible illiquidity. There are unique risks associated with mutual funds that invest principally in real estate securities, such as sensitivity to changes in real estate values and interest rates and price volatility because of the fund's concentration in the real estate industry.

We will allocate your assets among various investments taking into consideration your desired overall management style. Holdings will be selected on the basis of any or all of the following criteria:

- Performance history
- Industry sector
- Management style
- Fee structure
- Expense ratio
- Investment Objectives
- Diversification

Portfolio weighting between equities and non-equities will be determined by your individual needs and circumstances. You will have the opportunity to place reasonable written restrictions on the types of investments which will be made on your behalf. You will retain individual ownership of all securities.

Clients should be aware that VFS makes different recommendations and effect different trades with respect to the same securities to different advisory clients.

For clients in need of brokerage or custodial services, we recommend the use of an unaffiliated FINRA/SIPC member broker/dealer, Schwab Advisor Services, a division of Charles Schwab & Co., Inc ("Schwab")

As of March 21, 2024, VFS has the following assets under management:

Discretionary	Non-Discretionary	Total
$163,225,893	$16,588,118	$179,814,011

Consulting

You can also receive investment advice on a more limited basis. This can include advice regarding an isolated area of concern such as retirement planning, reviewing your existing portfolio, or any other specific topic. We also provide specific consultation and administrative services regarding your investment and financial concerns when within our area of expertise.

Item 5 – Fees and Compensation

The principal business of VFS is to provide Fee-Only advice. None of our officers or employees is separately licensed as registered representatives of any FINRA registered broker dealer. We cannot and will not receive compensation of any kind for any securities transactions done through any broker-dealer firm.

Asset-Based Service Fees

In order to maintain the highest level of service to existing clients, we accept only a limited number of new clients into our practice each year. Our experience and services have proven most valuable to clients with investment portfolios placed under our management of $600,000+. The asset-based arrangement includes Financial Planning and Portfolio Investment Management services. The fee we charge covers these specific services offered by the firm unless otherwise agreed upon and disclosed in writing in advance. The annual fee is subject to a $6,000 minimum per year and will be charged quarterly as a percentage of assets under management. The minimum fee can be waived under certain circumstances. Fee minimums are based, more advantageously to our clients, on households, not individual accounts. We can also group related clients for the purposes of achieving a lower fee or the minimum fee and we will quote alternative fee schedules when planning and investment circumstances dictate.

The fee can also vary depending on the nature and complexity of your circumstances, the amount of assets placed under management, portfolio style and other factors. The specific fee schedule will be identified in the Investment Advisory Contract established between you and VFS. Following is an example of our most common fee schedule:

Total Net Asset Value	Annual Rate
First $1,000,000	0.85%
Next $1,000,000	0.75%
Next $1,000,000	0.65%
Over $3,000,000	0.25%

The specific manner in which fees are charged by VFS is established in the written client agreement. We generally bill our fees in advance on a quarterly basis based upon the market value of your account at the end of the previous quarter and the fees are deducted directly from your assets under management. Management fees shall be prorated for accounts that are opened or closed during a calendar quarter. Upon closing of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

All fees will be reported on your statement provided by your custodian. Custodians are required to report all fees. We also provide a statement of fees charged, the value of assets on which the fee is based, and the specific manner in which the fee is calculated.

<u>Fee for Service Fees</u>
The fee-for-service arrangement is an hourly engagement which encompasses Financial Planning and/or Consulting services and can include the creation of a customized financial plan when requested. In the planning process we will review your retirement in detail along with any other financial planning issues that you have and for which we are qualified to advise.

If requested, we will also review and make recommendations on your life, disability and long- term-care insurance needs. Mr. Valpey is a licensed insurance agent, but he does not sell insurance.

- Not an ongoing service.
- Portfolio Investment Management Services are not included.
- Investment recommendations and management are not included.

The charge for this service is not to exceed $350/hour (subject to annual adjustments). Creating, reviewing and adjusting a financial plan usually takes three to seven hours. Subsequent updates generally take from one to three hours. If you would like an advance estimate for any service(s) for which you may engage VFS on an hourly basis, simply let us know what you are looking for and we will provide a time estimate. Hourly services will be limited or unavailable depending on time constraints.

<u>General Information on Fees</u>
Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. Clients may terminate an agreement without penalty at any time.

Our fees do not include brokerage commissions, transaction fees, and other related costs and expenses charged by mutual funds, exchange traded funds or other investment vehicles which may be incurred by the client. These fees and expenses are described in prospectuses. They can include management fees, 12b-1 fees, distribution fees, sales charges and other expenses. If the fund imposes sales charges, a client will pay an initial or deferred sales charge. As a fee- only adviser, we endeavor to utilize the lowest cost options available when prudent.

You could invest in a mutual fund, exchange traded fund or other investment vehicle directly, without our services. In that case, you would not receive the services we provide which are designed, among other things, to assist you in determining which options are most appropriate to your financial condition and objectives. You should review both the fees charged by the investment vehicle and the fees we charge to fully understand the total amount of fees to be paid. VFS primarily recommends, whenever possible, exchange traded funds, "no-load" or "load-waved" mutual funds and/or fixed securities not held in exchange traded funds or mutual funds.

In addition to our fees, you will also be responsible for the fees and expenses charged by custodians and imposed by broker dealers. These costs can include (but are not limited to) transaction charges, exchange fees, transfer taxes, administrative fees for wire transfers or certificate issues.

You also have the option to purchase investment products that we recommend through other brokers or agents that are not affiliated with VFS.

Mutual Fund Share Class Disclosures

Certain mutual fund share classes charge a 12b-1 fee that generally amounts to an additional .25% expense ratio or more. The purpose of 12b-1 fees, as approved by the SEC, are to cover marketing expenses and shareholder services such as support services and "other expenses" such as legal, accounting and the administrative functions of the custodian. When selecting a mutual fund, Investment Advisor Representatives have a fiduciary duty to choose the share class that helps manage the overall fee structure of the account. The entire fee structure includes such fees as the asset management fee, the expense ratio and ticket charges.

- Mutual funds typically offer multiple share classes, including lower-cost share classes that do not charge 12b-1 fees and are therefore usually less expensive.

- Investment Advisor Representatives will consider investing client funds in 12b-1 fee-paying share classes even when a lower-cost share class is available as appropriate to account for the overall fee structure and tax considerations as well as attributes of a fund not available for lesser fees.

Item 12 further describes the factors we consider in selecting or recommending broker dealers for client transactions and determining the reasonableness of their compensation.

Financial Planning Services

Valpey Financial Services can charge on an hourly or flat fee basis for financial planning services. The total estimated fee, as well as the ultimate fee charged, is based on the scope and complexity of services.

- The fee for financial plans that are based on an hourly rate are calculated by a multiple of the anticipated number of hours required and an hourly rate up to $350 per hour depending on the scope and complexity of the necessary planning.

- The fee for financial plans that are based on a flat rate generally range from $1,000 to $5,000 depending on the scope and complexity of the plan.

Hourly Consulting Services

Valpey Financial Services charges an hourly fee up to $350 an hour to provide hourly consulting when a more comprehensive financial plan is not requested. An hourly fee over $350 can apply depending on the scope and complexity of the planning required.

Item 6 – Performance-Based Fees and Side-By-Side Management

Valpey Financial Services does not charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the assets of a client).

Item 7 – Types of Client

Valpey Financial Services provides financial planning and portfolio management services to individuals, high net worth individuals, corporations and other businesses.

Valpey Financial Services do not provide services to corporate pension and profit-sharing plans (other than plan participants), Taft-Hartley plans, charitable institutions, foundations, endowments, municipalities, registered mutual funds, private investment funds, trust programs, sovereign funds, foreign funds such as UCITs and SICAVs, and other U.S. and international institutions.

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

Valpey Financial Services seeks first and foremost to determine our client's goals, time horizon and risk tolerance. Then we design a custom investment strategy that we believe has the best risk-adjusted probability of meeting those goals. Our clients' objectives range from conservative (preservation of capital) to moderate (income) to aggressive (growth of capital). It is not unusual for our clients to have multiple goals, e.g., funding retirement, planning for college, travel, purchase of vacation homes, charitable giving, bridging a gap until Social Security benefits begin or legacy planning.

We utilize Strategic Asset Allocation (SAA) to help our clients meet their goals. SAA is creating, constructing, monitoring and managing a diversified portfolio specific to the individual and his or her need, time horizon and risk tolerance. SAA is balancing, what are generally considered more risky equities (stocks) with what are generally considered less risky debt investments (typically bonds, treasuries, bills, notes, certificates of deposit (CDs), and money market accounts). Other types of investments may also be used. It should be noted that debt investments (fixed income), while generally considered less risky than stocks, are not risk free, and some debt investments can actually be riskier than some stocks.

We believe that selecting an overall portfolio strategy specific to the individual is the single most important investment decision. The underlying holdings that comprise the portfolio must be well diversified with a strong return to cost ratio. It is our belief based on extensive and widely available research that very few active stock managers are able to out-perform the index best representing the area in which they invest and that selecting such a manager in advance of such performance is virtually impossible. Furthermore, trying to out-perform a respective index can, on average, actually be less lucrative then investing in a holding that endeavors to replicate the index when manager expenses, taxes and trading expenses are factored in.

We generally prefer passive management (passive selection), or indexing, to active management (predictive selection) with regard to stocks. We generally show preference to low-cost investment options, whether passive or active, except in cases where historical return has warranted higher expenses.

- Valpey Financial Services utilizes a diverse array of research resources in our investment process including traditional electronic media, periodicals, journals, newspapers, web-based information sources, research materials and reports.

- Valpey Financial Services may collect historical data, performance data and data regarding market and industry trends to perform a detailed analysis of asset classes and investment vehicles for use in client portfolios. We do not independently verify third-party data.

- Valpey Financial Services' portfolio reporting system, Portfolio Center, provides client level performance, transaction and holdings data.

All investments carry the risk of loss and there is no guarantee that any investment strategy will meet its objective. These risks include market risk, interest rate risk, issuer risk, and economic risks; therefore, client should be prepared to bear the risk of loss. Below is a list of risks that should be considered before investing that can apply to the investment account.

- **Business Risk –** The measure of risk associated with a particular security. It is also known as unsystematic risk and refers to the risk associated with a specific issuer of a security. Generally speaking, all businesses in the same industry have similar types of business risk. More specifically, business risk refers to the possibility that the issuer of a particular company stock or a bond may go bankrupt or be unable to pay the interest or principal in the case of bonds.

- **Call Risk –** The risk specific to bond issues and refers to the possibility that a debt security will be called before maturity. Call risk usually goes hand in hand with reinvestment risk because the bondholder must find an investment that provides the same level of income for equal risk. Call risk is most prevalent when interest rates are falling, as companies trying to save money will usually redeem bond issues with higher coupons and replace them on the bond market with issues with lower interest rates.

- **Company-Specific Risk** – A risk specific to a company's operations, executive decisions and reputation, which is difficult to quantify.

- **Complex Products** – Complex Products are complicated instruments that should only be used by sophisticated investors who fully understand the terms, investment strategy and risks associated with the funds. In particular, clients should be aware of certain specific risks involved in trading Complex Products. These risks include, but are not limited to:

    - **Seek Daily Target Returns**: Most Complex Products "reset" daily, meaning that they are designed to achieve their stated objectives on a daily basis. Due to the effect of compounding, the return for investors who invest for a period longer than one trading day can vary significantly from the stated goal as well as the target benchmark's performance. This is especially true in very volatile markets or if a Complex Product is tracking a very volatile underlying index. Investments in any Complex Product must be actively monitored daily and are typically not appropriate for a buy-and-hold strategy.

- **Higher Operating Expenses and Fees**: Investors should be aware that these Complex Products typically rebalance their portfolios frequently, often daily, to compensate for anticipated changes in overall market conditions. For example, volatility linked ETPs will rebalance their exposure to futures of different maturities to maintain the targeted maturity. This rebalancing can result in frequent trading and increased portfolio turnover. These Complex Products will, therefore, generally have higher operating expenses and investment management fees than other funds or products.

- **Tax Treatment May Vary**: In many cases, Complex Products may generate their returns through the use of derivative instruments. Because derivatives are taxed differently from equity or fixed-income securities, investors should be aware that these Complex Products may not have the same tax efficiencies as other funds or products.

- **Concentration Risk** – Concentrated portfolios are an aggressive and highly volatile approach to trading and investing and should be viewed as complementary to a stable, highly predictable investment approach. Concentrated portfolios hold fewer different stocks than a diversified portfolio and are much more likely to experience sudden dramatic price swings. Also, the rise or drop in price of any given holding in the portfolio is expected to have a more significant impact on portfolio performance, than a more broadly diversified portfolio.

- **Credit Risk –** The risk that an investor could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations.

- **Currency/Exchange Rate Risk** – The risk of a change in the price of one currency against another.

- **Force Majeure** – A natural and unavoidable catastrophe that interrupts the expected course of events, market structure and access to funds.

- **Interest Rate Risk** – The risk that fixed-income securities will decline in value because of an increase in interest rates; a bond or a fixed income fund with a longer duration will be more sensitive to changes in interest rates than a bond or bond fund with a shorter duration.

- **Inflationary Risk –** The risk that future inflation will cause the purchasing power of cash flow from an investment to decline.

- **Legislative Risk –** The risk of a legislative ruling resulting in adverse consequences.

- **Liquidity Risk –** The possibility that an investor may not be able to buy or sell an investment as and when desired or in sufficient quantities because opportunities are limited.

- **Market Risk –** The risk that the value of securities may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries. Market risk is a risk that will affect all securities in the same manner caused by some factor that cannot be controlled by diversification.

- **Reinvestment Risk –** The risk that falling interest rates will lead to a decline in cash flow from an investment when its principal and interest payments are reinvested at lower rates.

- **Social/Political Risk –** The possibility of nationalization, unfavorable government action or social changes resulting in a loss of value.
- **Taxability Risk –** The risk that a security that was issued with tax-exempt status could potentially lose that status before maturity. Since municipal bonds carry a lower interest rate than fully taxable bonds, the bondholders would end up with a lower after-tax yield than initially planned.

- **Terrorism Risk** – An act of terror or calculated use of violence against the country, market structure or individuals.

The firm's methods of analysis and investment strategies do not represent any significant or unusual risks; however, all strategies have inherent risks and performance limitations.

<u>Types of Investments (Examples, not limitations)</u>
Investment advisor representatives of the firm allocate a client's assets as appropriate to help them reach their investment objectives within their time horizon in a manner consistent with their risk profile. Client funds are allocated appropriately in such investments as listed below:

- **Annuities** – A retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet a requirement or other long-term goals. An annuity is not a life insurance policy.

  - **Variable Annuities** – If a client purchases a variable annuity, the client will receive a prospectus and should rely solely on the disclosure contained in the prospectus concerning the terms and conditions of the variable annuity. Client should also be aware that certain riders purchased with a variable annuity may limit the investment options and the ability to manage the subaccounts. Variable annuities typically offer:

    - Regular stream of income or a lump sum payout at a future time
    - Tax-deferred treatment of earnings
    - Death benefits

    Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for achieving short-term goals because substantial taxes and insurance company charges apply if money is withdrawn early. Variable annuities also involve investment risks, like mutual funds.

- **Margin Borrowings** – The use of short-term margin borrowings may result in certain additional risks to a Client. For example, if securities pledged to brokers to secure a Client's margin accounts decline in value, the Client could be subject to a "margin call". Clients must either deposit additional funds with the broker or be the subject of mandatory liquidation of the pledged securities to compensate for the decline in value.

Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the firm.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of VFS or the integrity of Ronald Valpey's management.

- Valpey Financial Services has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Registered investment advisers are required to disclose all material facts regarding activities and affiliations with other persons or firms that would be material to your evaluation of VFS. VFS has no information applicable to this Item.

Item 11 – Code of Ethics

Valpey Financial Services has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. We require that all individuals must act in accordance with all applicable Federal regulations governing registered investment advisory practices. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at VFS are required to follow our Code of Ethics and must acknowledge the terms of the Code of Ethics.

You may request a copy of the firm's Code of Ethics by contacting Ron Valpey, Chief Compliance Officer.

We anticipate that, in appropriate circumstances, consistent with clients' investment objectives, we will recommend the purchase or sale of securities that we, directly or indirectly, have a position of interest in. There are numerous holdings that will be held by us and our clients.

Valpey Financial Services requests that it be provided with written authority to determine which securities, the amounts of such securities and the time when such securities are bought and sold. Any limitations on this discretionary authority shall be included in this written authority statement. Clients can change/amend these limitations as needed. Such amendments shall be submitted in writing.

Valpey Financial Services emphasizes the unrestricted right of the client to decline to implement any advice rendered. In situations where we are granted discretionary authority of the clients' account, the client retains the right to terminate discretion of the investment advisory agreement at any time.

Officers, directors and employees of VFS can trade for their own accounts in securities which are recommended to and/or purchased for VFS's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of our clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between us and our clients.

- VFS also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering.
- No director, officer or employee of VFS will buy or sell securities for their personal account(s) if their decision is based on information available as a result of their employment unless the information is also available to the investing public.

Item 12 – Brokerage Practices

Valpey Financial Services recommends that clients establish brokerage accounts with the Schwab Advisor Services, a division of Charles Schwab & Co., Inc. (Schwab), a member FINRA/SIPC broker/dealer to maintain custody of clients' assets and to effect trades for their accounts. The final decision to custody assets with Schwab is at the discretion of the Advisor's clients, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder.

Valpey Financial Services is independently owned and operated and not affiliated with Schwab. Schwab provides Valpey Financial Services with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to advisors. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

Schwab also makes available to Valpey Financial Services other products and services that benefit Valpey Financial Services but may not benefit its clients' accounts. These benefits can include national, regional or Valpey Financial Services specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of Valpey Financial Services by Schwab Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities.

Other of these products and services assist Valpey Financial Services in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Valpey Financial Services' fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting.

Many of these services generally may be used to service all or some substantial number of Valpey Financial Services accounts, including accounts not maintained at Schwab Advisor Services. Schwab Advisor Services also makes available to Valpey Financial Services other services intended to help Valpey Financial

Services manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to Valpey Financial Services by independent third parties. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Valpey Financial Services. While, as a fiduciary, Valpey Financial Services endeavors to act in its clients' best interests, Valpey Financial Services recommendation/requirement that clients maintain their assets in accounts at Schwab may be based in part on the benefit to Valpey Financial Services of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

Benefits Received

Schwab makes available various products and services designed to assist the firm in managing and administering client accounts. These services include software and other technology that provide access to client account data (such as trade confirmation and account statements); facilitation of trade execution (and aggregation and allocation of trade orders for multiple client accounts); providing research, pricing information and other market data; facilitating payment of fees; and assisting with back-office functions; recordkeeping and client reporting. Many of these services are provided without cost, at a discount, and/or at a negotiated rate, and include practice management-related publications; consulting services; attendance at conferences and seminars, meetings, and other educational and/or social events; marketing support; and other products and services used in furtherance of the operation and development of its investment advisory business.

Best Execution

The commissions and transaction fees paid by Clients comply with the firm's duty to obtain best execution; however, clients may pay a commission that is higher than what another broker-dealer charge based on the total value of services received. Price is not the only factor to consider for best execution. Instead, best execution takes into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although the firm seeks competitive rates, we may not necessarily obtain the lowest possible commission rates.

Aggregation & Allocation of Transactions

Although each client's portfolio accounts are individually managed, Valpey Financial Services may purchase or sell the same securities at the same time for multiple clients. When this occurs, it is often advantageous to aggregate the securities of multiple clients into one trading block for execution. If securities are purchased or sold in an aggregated transaction with the securities of other clients, all clients receive the same execution price. If the aggregated purchase or sale involves several executions to complete the transaction, clients will receive the average price paid or received on the aggregated transaction. However, if an aggregated transaction results in only a partial execution and the equal allocation of the partial execution amongst multiple clients would result in an inefficient trading unit in client portfolios. The firm reserves the right to allocate the transaction to specific individual clients on an equitable rotational basis so that over time, no client is disadvantaged in the management of its portfolio.

Directed Brokerage

The firm does not accept directed brokerage arrangements (when a client requires that account transactions be executed through a specific broker/dealer).

Soft Dollars

Soft dollars are revenue programs offered by broker/dealers whereby an Investment Advisor agrees to place security trades in exchange for research and other services. Valpey Financial Services receives support services without cost, at a discount, or a negotiated rate. For example, such things as research reports or other information about particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making. These support services are provided based on the overall relationship without a minimum production level or value of assets held with the custodian. Consequently, it is not the result of soft dollar arrangements or any other express arrangements that involve the execution of client transactions as a condition to receive the services.

Item 13 – Review of Accounts

Asset-based clients are offered a financial plan and review of accounts annually. Additional plans and reports will be provided upon request. While the securities in clients' accounts are continuously monitored, the actual accounts are reviewed at least monthly by either a principal of VFS or the designated investment advisor representative assigned to the account. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews will be triggered by account withdrawals or deposits and changes in the client's individual circumstances, the securities markets, and the political or economic environment.

In addition to the monthly or quarterly statements and confirmations of transactions that clients receive from their designated custodian, clients will be sent an objective report from VFS summarizing account performance, balances and holdings on request. When requested, we will compare portfolio performance to the Dow Jones Industrial Average Index and/or the Standard & Poor's 500 Index. However, the components of both indexes might not be representative of how a particular portfolio is invested. In such cases, the comparison should not be considered a like-kind or relative comparison. Client's requesting this objective report are urged to compare it against the account statements received from their custodian.

Item 14 – Client Referrals and Other Compensation

Valpey Financial Services has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. We do not compensate referring parties for these referrals. In addition, we do not accept referral fees from other professions when a prospect or client is referred to them.

Valpey Financial Services receives an economic benefit from third party custodians (Charles Schwab & Company, Inc. for example) in the form of support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at said custodians.

These products and services, how they benefit us, and the related conflicts of interest are described in Item 12 – Brokerage Practices. The availability of third-party custodian products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

Item 15 – Custody

Valpey Financial Services does not have direct custody of client funds or securities. However, as a consequence of the authority to make withdrawals from client accounts to pay advisory fees the firm provides the following safeguards:

1. The firm obtains written authorization from the client to deduct advisory fees from the account held with the qualified custodian.

Item 16 – Investment Discretion

Valpey Financial Services usually receives discretionary authority from the client at the outset of an advisory relationship. This agreement gives VFS authority without prior consultation with the client to:

- Buy, sell, exchange, convert, and otherwise trade in stocks, bonds and other securities including money market instruments,
- Direct the amount of securities purchased, sold, exchanged and otherwise traded, and
- Place orders for the execution of such securities transactions with the client designated broker/dealer.

In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. Any limitations on discretionary authority shall be included in the written agreement between the client and VFS. Investment guidelines and restrictions must be provided to VFS in writing.

When selecting securities and determining amounts, we observe the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, VFS's authority to trade securities will also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, VFS does not have any authority to and does not vote proxies on behalf of advisory clients. You retain the responsibility for receiving and voting proxies for any and all securities maintained in your portfolios. You will receive all proxies and other solicitations directly from your custodian or transfer agent. We can provide advice to you regarding the voting of proxies or any questions you have about a particular solicitation.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about VFS's financial condition. VFS has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

Registered as Valpey Financial Services, LLC | CRD No. 154154

Ronald L. Valpey, CFP®, AIF®

Form ADV Part 2B – firm Disclosure Brochure (CRD No. 3220507)

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March 27, 2024

This brochure supplement provides information about your Investment Advisor Representative that supplements the firm disclosure brochure. You should have received a copy of the firm brochure that describes the investment advisory services offered through Valpey Financial Services a registered investment advisor. Please contact Valpey Financial Services at the telephone number above if you did not receive their brochure or if you have any questions about the contents of this supplement. Additional information about your Investment Advisor Representative is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Educational Background and Business Experience

This section of the brochure supplement includes the supervised person's name, age (or year of birth), formal education after high school, and business background (including an identification of the specific positions held) for the preceding five years.

Ronald L. Valpey

Year of birth: **1967**

Education

The following information details your Financial the firm's formal education. If a degree was attained, the type of the degree will be listed next to the name of the institution. If a degree is not listed, the Financial the firm attended the institution but did not attain a degree.

- Northeastern University, Boston, Massachusetts, BS (1991)
- Emerson College, Boston, Massachusetts, MA (1993)
- Attended UCLA Accelerated Certified Financial Planner™ Program (1998-2000)
- Graduated from the College of Financial Planning - Denver, Colorado (2002)

Professional Exams & Designations

The following provides information on professional exams and designation(s) that your Financial the firm earned.

- FINRA Series 7 - General Securities Representative Examination, 06/1999.
- FINRA Series 24 - General Securities Principal, 10/2002.
- FINRA Series 66, Uniform Combined (Series 63 & 65) State Law Examination, 06/2001.

Certified Financial Planner™ - CFP®

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.

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 two 3-hour sessions, 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 Standards of Professional 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.

Accredited Investment Fiduciary® (AIF®)
The AIF® designation certifies that the recipient has specialized knowledge of fiduciary standards of care and their application to the investment management process. To receive the AIF® designation, individuals must complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the AIF® Code of Ethics.

In order to maintain the AIF® designation, the individual must annually renew their affirmation of the AIF® Code of Ethics and complete six hours of continuing education credits. The certification is administered by the Center for Fiduciary Studies, LLC (a Fiduciary360 (fi360) company).

Business Experience
The following information details your Financial the firm's business experience for at least the past 5 years.

- Investment Advisor Representative, Valpey Financial Services, LLC 07/2010 to present.

Item 3 - Disciplinary Information

This section includes any legal or disciplinary events and material to a client's or prospective client's evaluation of the supervised person.

> There are no legal or disciplinary events required to be disclosed in response to this item. Any such disciplinary information would be available at www.adviserinfo.sec.gov.

Item 4 - Other Business Activities

This section includes any relationship between the advisory business and the supervised person's other financial industry activities that create a material conflict of interest with clients and describes the nature of the conflict and generally how it is addressed. If the supervised person is actively engaged in any investment-related business or occupation, including if the supervised person is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), commodity trading advisor ("CTA"), or an associated person of an FCM, CPO, or CTA, the business relationship, if any, between the advisory business and the other business is disclosed below.

> Ronald L. Valpey is not engaged in any investment related business or occupation other than Valpey Financial Services, LLC.

Item 5 - Additional Compensation

This section includes details regarding if someone who is not a client provides an economic benefit to the supervised person for providing advisory services. For purposes of this Item, economic benefits include sales awards and other prizes, but not the supervised person's regular salary, if any.

> No person who is not a client provides an economic benefit to Ronald L. Valpey for providing advisory services.

Item 6 – Supervision

This section explains how Valpey Financial Services, supervises the supervised person, including how the advice the supervised person provided to clients is monitored.

> Ronald L. Valpey is the Chief Compliance Officer of Valpey Financial Services, LLC. He is responsible for developing, overseeing and enforcing the firm's compliance programs that have been established to monitor and supervise the activities and services provided by Valpey Financial Services, LLC and its representatives. Ronald L. Valpey, as the Firm's managing member and sole owner, is also involved in overseeing the business operations and activities. Mr. Valpey can be contacted at (603) 856-7945.

Privacy Policy
Effective: March 27, 2024

Our Commitment to You
Valpey Financial Services (the "the firm") is committed to safeguarding the use of personal information of our Clients (also referred to as "you" and "your") that we obtain as your Investment Advisor, as described here in our Privacy Policy ("Policy").

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. The firm (also referred to as "we", "our" and "us") protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

The firm does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below. Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this Policy.

Why you need to know?
Registered Investment Advisors ("RIAs") must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

What information do we collect from you?

Driver's license number	Date of birth
Social security or taxpayer identification number	Assets and liabilities
Name, address and phone number(s)	Income and expenses
E-mail address(es)	Investment activity
Account information (including other institutions)	Investment experience and goals

What Information do we collect from other sources?

Custody, brokerage and advisory agreements	Account applications and forms
Other advisory agreements and legal documents	Investment questionnaires and suitability documents
Transactional information with us or others	Other information needed to service account

How do we protect your information?
To safeguard your personal information from unauthorized access and use we maintain physical, procedural and electronic security measures. These include such safeguards as secure passwords, encrypted file storage and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Client's personal information. We require third parties that assist in providing our services to you to protect the personal information they receive from us.

How do we share your information?
An RIA shares Client personal information to affectively implement its services. In the following section, we list some reasons we may share your personal information.

Basis For Sharing	Do we share?	Can you limit?
Servicing our Clients We share information with technology vendors and third-party service providers to manage and support operations and regulatory compliance (such as administrators, brokers, custodians, regulators, credit agencies, consultants and other financial institutions) as necessary for us to provide agreed upon services to you, consistent with applicable law, including but not limited to: processing transactions; general account maintenance; responding to regulators or legal investigations; and credit reporting.	Yes	No
Marketing Purposes The firm does not disclose, and does not intend to disclose, personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where Valpey Financial Services or the client has a formal agreement with the financial institution. We will only share information for purposes of servicing your accounts, not for marketing purposes.	No	Not Shared
Authorized Users Your non-public personal information may be disclosed to you and persons that we believe to be your authorized agent(s) or representative(s).	Yes	Yes
Information About Former Clients The firm does not disclose and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our Clients.	No	Not Shared

Other Important Information
California, North Dakota, and Vermont. In response to applicable state law, if the mailing address provided for your account is in California, North Dakota, or Vermont, we will automatically treat your account as if you do not want us to disclose your personal information to non-affiliated third parties for purposes of them marketing to you, except as permitted by the applicable state law.
Massachusetts. In response to a Massachusetts law, clients must “opt-in” to share non-public personal information with non-affiliated third parties before any personal information is disclosed. We may disclose non-public personal information to other financial institutions with whom we have joint business arrangements for proper business purposes in connection with the management or servicing of your account.

Changes to our Privacy Policy

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us. Periodically we may revise this Policy and will provide you with a revised policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

Any Questions?

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at 603-856-7945 or ron@valpeyfinancialservices.com.