

**Item 1 – Cover Page**

**Bowen Financial Services, LLC**  
**A Fee-Only Investment Advisory Firm**  
**2840 Polo Pkwy**  
**Midlothian, VA 23113**  
**804-897-2850**  
**[www.BowenFinancial.com](http://www.BowenFinancial.com)**  
**March 29, 2021**

This Brochure provides information about the qualifications and business practices of Bowen Financial Services, LLC a Fee-Only investment advisory firm ("Bowen"). If you have any questions about the contents of this Brochure, please contact us at 804-897-2850 and/or [info@BowenFinancial.com](mailto:info@BowenFinancial.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.

Bowen 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 about which you determine to hire or retain an Adviser.

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

## **Item 2 – Material Changes**

There have been no material changes since our last update dated March 30, 2020.

This Brochure dated March 29, 2021 is updated to reflect the following changes:

Item 4 is updated to reflect assets under management as of December 31, 2020

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Bowen at 804-897-2850 or [info@BowenFinancial.com](mailto:info@BowenFinancial.com)

Additional information about Bowen is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Bowen who are registered, or are required to be registered, as investment adviser representatives of Bowen.

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## **Item 4 – Advisory Business**

### **About Bowen Financial Services, LLC., Generally**

**Our Firm's History** Bowen Financial Services, LLC ("Bowen") was formed in 1999 by a certified public accountant and certified financial planner who desired clients to receive truly objective investment advice. In recent years, the principal of the firm has devoted the vast majority of his business efforts toward the goal of construction of a world-class investment advisory firm, dedicated to the fiduciary principal that the client's best interests should remain paramount at all times.

Bowen offers to provide financial planning and investment management to individuals, trusts, estates and small businesses. Bowen works with clients to define financial objectives and to develop strategies for reaching those objectives, some of which may include: retirement planning, estate planning, education planning, tax planning, capital needs analysis in case of death or disability, investment planning and/or other issues specific to the client. Clients may impose restrictions on investing in certain securities or types of securities.

The firm's compensation is solely from fees paid directly by clients. The firm does not receive commissions based on the client's purchase of financial products. No commissions in any form are accepted. No referral fees are paid or accepted. No benefits are received from custodians based on client securities transactions.

Assets under the direct management of Bowen are held by independent custodian TD Ameritrade, or others in the client's name. Bowen does not act as custodian of client assets.

John G. Bowen, CPA, CFP® is a member of the National Association of Personal Financial Advisors and a NAPFA-Registered Financial Advisor. As such, John has taken the NAPFA Fiduciary Oath:

The advisor shall exercise his/her best efforts to act in good faith and in the best interests of the client. The advisor shall provide written disclosure to the client prior to the engagement of the advisor, and thereafter throughout the term of the engagement, of any conflicts of interest, which will or reasonably may compromise the impartiality or independence of the advisor.

The advisor, or any party in which the advisor has a financial interest, does not receive any compensation or other remuneration that is contingent on any client's purchase or sale of a financial product. The advisor does not receive a fee or other

compensation from another party based on the referral of a client or the client's business.

**Our Principal** The owner of Bowen Financial Services, LLC is John G. Bowen, CPA, CFP®. A description of the educational background and employment history of Mr. Bowen is included in this brochure.

**Amount of Assets upon Which Investment Advice is Provided** As of December 31, 2020, Bowen provided Advice on approximately \$109,000,000 of financial assets for approximately 61 family groups. Family groups may consist of more than one client (i.e., client and spouse, plus one or more adult or minor children, and defined benefit plans for which the client serves as plan sponsor).

## **Item 5 – Fees and Compensation**

### **Billing Practices: Deduction of Fees from Client Accounts**

Bowen bases its fees on a percentage of Assets Under Management, hourly charges and fixed fees. The specific manner in which fees are charged by Bowen is established in a client's written agreement with Bowen.

Bowen's annual financial planning and investment supervisory service fees are 1% per annum on the first \$1,000,000 of Assets Under Management, 0.75% on the next \$1 million, 0.5% on the next \$8 million and 0.25% on assets over \$10 million. The minimum account size is generally \$500,000. Accounts below this minimum may be charged a fee not to exceed \$5,000. These fees are negotiable in special circumstances. It is possible for clients with advisable assets significantly below \$500,000 to pay fees in excess of industry standards. For such clients, similar services may be available elsewhere for a lower fee.

**Aggregation of Client Accounts** Individual accounts for *immediate* family members (husband, wife and dependent children living in the same household) are aggregated and our fees are charged based on the total value of such family members' accounts.

**Billing Occurs in Advance; Valuation of Assets** Clients will be invoiced in advance at the beginning of each calendar quarter. Billing amounts are based upon the value (market value or fair market value in the absence of market value) of the client's account(s) (including both securities and cash) at the end of the previous quarter. Valuations are derived from recognized and independent pricing sources, such as TD Ameritrade Institutional, or other custodians. Management fees may be prorated for each capital contribution made during the applicable calendar quarter (with the exception of de-

minimis contributions). Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Bowen will not hold funds greater than \$1,200 for more than six months in advance of completion of the engagement.

**When Authorized, Deduction of Fees from Client Accounts** Clients may choose whether to have their fees billed directly or deducted from client accounts. In certain situations, such as for some qualified retirement plan accounts and traditional IRA accounts, it may be advantageous to the client from a tax perspective to have the portion of Bowen's fees attributable to such accounts directly deducted from such account. Where fees are to be deducted from a client's account, Bowen will request authority from clients to receive quarterly payments directly from the client's account(s) held by an independent qualified custodian, such as TD Ameritrade Institutional. Clients may provide written limited authorization to Bowen to withdraw fees from account(s). Bowen will send to the client an invoice showing the amount of the fee, the value of the client's assets on which the fee was based, and the specific manner in which the fee was calculated. Clients should verify the accuracy of the fee calculations in such invoices. Clients will also receive custodial statements showing the advisory fees debited from their account(s).

**No Sharing of Account Appreciation; No Performance Fees** All fees are calculated as described above and are not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client.

**Negotiated Fees and Client, Fee Minimums** All of our fees, client minimums, and fee minimums are subject to negotiation; factors involved include whether the client is an employee (or a family member related to same), our desire to serve clients in need of the assistance of Bowen's services who otherwise cannot afford our services, the size of the relationship, whether future additions will be undertaken to accounts upon which advice is provided, the level and type of advisory services provided and likely to be provided in the future, and the relationship between the advisor and the client. Generally, our principals and employees are not charged fees on either their accounts or those of immediate family members.

**Fees of Mutual Funds, Other Products, and Custodians** All fees paid to Bowen for investment advisory and financial planning services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders or the transaction fees charged by the custodian(s). Mutual fund expenses are described in each fund's prospectus. These expenses will generally include a management fee, other fund expenses, and possibly a distribution fee. Bowen believes that the charges and fees offered within its program are competitive with alternative programs available through other firms offering a similar range of services; however, lower fees for comparable services may be available from other sources. A client could invest in mutual funds directly, without the services of Bowen. In that case, the client would not receive the services provided by Bowen which are designed,

among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives and to avoid ad hoc emotional reactions to shorter-term market events. Also, the funds of Dimensional Funds Advisors may not be available to the client directly.

Mutual fund transaction fees charged by our recommended custodian, TD Ameritrade Institutional, generally vary from \$0 to \$10 for each purchase and sale transaction. Accordingly, the client should review both fees charged by the funds (including transaction and opportunity costs within funds which are not included in a fund's annual expense ratio), the transaction fees charged by the custodian, as well as the fees charged by Bowen, to fully understand the total amount of fees and costs paid by the client.

Clients may also incur "account termination fees" upon the transfer of an account from one brokerage firm (custodian) to another. The range for these account termination fees is believed to range generally \$0 to \$200, but at times may be much higher. Clients should contact their custodians (brokerage firms, bank or trust company, etc.) to determine the amount of account termination fees which may be charged and deducted from their accounts for any existing accounts which may be transferred.

**Cancellation and Termination of Advisory Agreements** Clients may cancel a new advisory agreement without penalty by providing written notice of such cancellation to Bowen within five (5) business days of the date of signing the agreement. Following the 5-day cancellation period, the first periods' fee is not refundable due to the large volume of initial work to be undertaken by Bowen. Thereafter, either party may terminate the agreement upon 30 days notice in writing to the other party. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, with the refund calculations based *pro rata* to the date of termination (i.e., the date which is 30 days after notice is received or given). Termination of an agreement will not affect: (a) the validity of any action previously taken by Bowen under the agreement; (b) liabilities or obligations of the parties from transactions initiated before termination of the agreement; or (c) a client's obligation to pay advisor fees (prorated through the date of termination). Upon the termination of the agreement, Bowen will not possess any obligation to recommend or take any action with regard to the securities, cash, or other investments in a client's account.

**Our Policy on Class Actions, Bankruptcies and Other Legal Proceedings** Clients should note that Bowen will not advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements.

**No Block Trading ("Bunching" of Client Orders)** Bowen does not undertake block trades of clients with those of other clients, as it believes that each transaction should be planned out to take into account the tax consequences of the transaction, and this often involves the sale of specific tax lots. This limits the ability of Bowen to undertake block transactions for

its clients with any frequency. As a result, Bowen may not achieve better pricing as to the transaction costs associated with either fixed income or mutual fund or equity trades. Since Bowen endeavors to keep the frequency of mutual fund trades in client accounts at low levels, and since Bowen has negotiated with its primary custodian's transaction fees which Bowen believes to be fairly low, the cost detriment to clients from not bunching trades is believed to be insubstantial.

**Our Trade Error Policy** In all circumstances involving trade errors caused by Bowen, where clients incur losses as a result, clients are "made whole."

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

Bowen does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client. However, the nature of asset-based fees allows Bowen to participate in the growth of the client's wealth. This also means that our fees can decline when the client's portfolio declines in value.

### **Item 7 – Types of Clients**

Bowen provides portfolio management services to individuals, high net worth individuals, families, trusts and estates. Advice may extend to entities related to the client such as small businesses and charitable organizations including foundations, endowments and pension plans.

Bowen does not impose a minimum dollar value of assets or other condition for opening or maintaining an account, however the minimum account size is generally \$500,000.

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

### **Our Investment Philosophies and Strategies**

**Generally,** Bowen provides the investment strategy and its implementation for all clients. Clients of Bowen receive the benefit of Bowen's investment philosophies, strategies, due diligence, account monitoring, and personal financial planning recommendations.

Expansive academic research, investment information, and certain proprietary analyses are drawn upon in order to provide innovative and comprehensive wealth management and investment advisory services. A strategic asset allocation is recommended for each client. Specific no-load (no commissions, no 12b-1 fees) investments are then recommended to clients. Clients' portfolios are then periodically monitored, and changes to investment portfolios are suggested when appropriate. A disciplined approach to rebalancing is employed in order to maintain asset class exposures within desired risk tolerances, subject to variances permitted for tax planning or other reasons. Clients provide discretion for the investment advisor to undertake trades on clients' accounts.

Clients also receive initial and periodic personal financial planning advice. Most of this advice is provided through periodic private review conferences, as well as through occasional telephone conferences and e-mails.

**Methods of Analyses** In designing investment plans for clients, Bowen relies upon the information supplied by the client and the client's other professional advisors. Such information may pertain to the client's financial situation, estate planning, tax planning, risk management planning, short-term and long-term lifetime financial goals and objectives, investment time horizon, and risk tolerance. This information becomes the basis for the strategic asset allocation plan which we believe will best meet the client's long-term stated goals. The strategic asset allocation provides for investments in those asset classes which Bowen believes (based on historical data) will possess attractive combinations of return, risk, and correlation over the long term.

A tremendous amount of academic research reveals that strategic asset allocation is determinative of the majority of the expected long-term gross returns of investor's portfolios. Our selection of asset classes is driven by research into global asset classes by such academics as Professor Eugene Fama, Sr. of the University of Chicago Booth Graduate School of Business and the Center for Research in Security Prices, Professor Kenneth French of Dartmouth College, and many other academics and researchers. In connection therewith, the investment advice we provide is based upon long-term investment strategies which incorporate the principles of Modern Portfolio Theory. The utilization of several different asset classes as part of an investor's portfolio is emphasized, as this has been shown to usually effect a reduction in portfolio volatility (*i.e.*, the standard deviation of returns) over long periods of time. Bowen allocates and diversifies the client's assets among various asset classes and then among individual investments, following the investment policy agreed to by the client. The investment approach is firmly rooted in the belief that markets are fairly efficient (although not always rational) and that investors' returns are determined principally by asset allocation decisions. A focus is provided on developing and implementing globally diversified portfolios, principally through the use of

low-cost and tax-efficient passively managed stock mutual funds that are generally available only to institutional investors and clients of select advisers.

Investment policy and overall portfolio weightings as between equities and fixed income investments are based upon each client's needs and desires, risk tolerance and the need to assume various risks, and investment time horizon. The portfolios of clients may then follow models designed by Bowen to fit the overall weights of equities (stocks, stock mutual funds, etc.) and fixed income investments (notes, bonds, bond funds, CDs, etc.) in an investor's portfolio. For other clients, the investment portfolio's strategic asset class allocation is customized to meet the specific circumstances of a client, the presence of investments in 401(k) or other accounts, as well as a perception of the client's understanding of the fundamental forces affecting risk and return in the capital markets. In addition, a client's initial or revised strategic asset allocation may be influenced by a review of the relative valuation levels of various asset classes and the investment time horizon of that client. While asset class "bubbles" are attempted to be discerned when they occur, tactical asset allocation strategies are not generally employed in connection with the management of client portfolios.

**Sources of Information** Our security analysis is based upon a number of factors including those derived from commercially available software technology, securities rating services, general economic and market and financial information, due diligence reviews, and specific investment analyses that clients may request. The main sources of information include commercially available investment information and evaluation services, financial newspapers and journals, academic white papers and periodicals. Prospectuses, statements of additional information, other issuer-prepared information, and data aggregation services (Morningstar, etc.) are also utilized. Investment Advisors also attend various investment and financial planning conferences.

Research is also received from consultants, including financial economists affiliated with Dimensional Funds Advisors (DFA) and other firms. DFA provides historical market analysis, risk/return analysis, and continuing education services. Various computer software programs from DFA and from other third parties may also be utilized to better model the historical and/or expected returns of designed portfolios. The historical valuation levels of various asset classes may be utilized to undertake estimates of the probable long-term (15-year) expected returns of various assets classes, as a means of aiding investment and financial planning decision-making.

**Types of Investments** Each client typically receives an investment portfolio which consists mainly of no-load stock and bond mutual funds. The passively managed stock mutual funds offered by Dimensional Funds Advisors (DFA) are generally recommended. DFA mutual funds offer broad diversification, and most are structured for low turnover, so as to substantially lessen the often substantial transaction costs incurred by mutual funds and ETFs as they trade securities within the fund. Consequently, the DFA stock mutual funds' total fees and costs are believed to be generally lower than the total fees and expenses incurred by most other stock mutual funds (including many ETFs and index funds) when comparing funds in the same asset class(es).

Client portfolios may also include some individual equity or fixed income securities, but these are generally part of clients' investment holdings prior to becoming a client of Bowen.

Publicly traded real estate investment trusts (REITS) and commodities index or passive mutual funds or ETFs may be recommended for certain clients who desire to include real estate or commodities in their asset allocation strategy.

New clients' existing investments are evaluated in light of the desired investment policy objectives. We work with new clients to develop a plan to transition from a client's existing portfolio to the desired portfolio. Investment advice may be offered on any investments held by a client at the start of the advisory relationship. Each client's portfolio holdings and strategic asset allocation are then monitored periodically, taking into account the cash flow needs of the client. Review meetings with clients are held regarding their investment assets under advisement and other personal financial planning issues.

**Client Restrictions on Investments Selected for Portfolios** Clients may place restrictions upon the investments to be held in an investment portfolio. However, because of adviser's utilization of broadly diversified stock mutual funds, our ability to avoid investments in a specific company or industry in accordance with a client's wishes may be limited. Bowen will utilize "socially responsible" mutual funds and/or exchange-traded funds upon the direction of a client. Bowen will also endeavor to educate the client as to the potential impact of restrictions placed on the client's accounts with respect to the specific securities held (or not purchased) or the allocation among various asset classes.

**Risk of Loss, Generally** Investing in securities involves a risk of loss that clients should be prepared to bear. The investment recommendations seek to limit risk through broad global diversification in equities (through broadly diversified stock mutual funds) and investment in high quality diversified bond funds.

However, the investment methodology will still subject the client to declines in the value of their portfolios, which can at times be dramatic. We believe there exists a high probability in most market environments of a long-term (15-year or greater) outperformance of small cap and value stocks, relative to large cap and growth stocks, and hence the stock (equities)

portion of an investor's portfolio may be "tilted" toward small cap and value stocks. Accordingly, the normally greater expected returns of the equity portion of the portfolio will in turn often permit the overall allocation to equities (stocks, stock mutual funds) to be reduced, and the allocation to fixed income investments increased. Bowen believes this is the best manner to temper the shorter-term volatility of the stock market, especially for clients who derive cash flow from their portfolios (such as clients who are in retirement years).

Given the long-term nature of the expected equity premium (*i.e.*, the additional expected return for investing in the overall stock market, relative to less "risky" U.S. Treasury bills), and the long-term nature of the expected value and small cap premiums, Bowen's investment philosophy is best suited for investors who desire a buy-and-hold strategy for a substantial portion of their funds with an investment time horizon of a minimum of ten years, and preferably longer. Even then, investing is inherently uncertain as to future returns. While both macroeconomic and microeconomic risks are evaluated, for purposes of weighing risks and returns and for the computation of the expected returns of various asset classes (for use in financial planning decision-making), Bowen does not generally engage in market-timing activities. Bowen believes the equity, value and small cap premiums are highly likely to occur in the future, over long periods of time. However, there can be no assurance that these premiums will occur over any given time period. While Bowen seeks to reduce non-compensated risks to which a client may be exposed, other risks (including but not limited to the risk of a general stock market decline) may be assumed in order to seek to attain the client's longer-term financial goals and objectives; however, Bowen cannot provide any guarantee that the client's goals and objectives will be achieved.

**Risk of Loss, Certain Higher-Risk Securities** Certain securities recommended, such as U.S. small cap value and mid cap value stock mutual funds, U.S. small cap and micro-cap mutual funds, and high-yield bond funds, possess higher levels of volatility (as individual asset classes within a portfolio). Bowen may employ these securities as part of an overall strategic asset allocation for a client, and when such is done Bowen possesses a reasonable belief that the risk-return relationship for these securities will likely be beneficial for the investor over the long term.

Please also note that while all Certificates of Deposit (CDs) purchased for our clients are FDIC-insured, the pricing of certain of these CDs, which trade in the secondary market, can vary; accordingly, due to price declines and/or transaction costs associated with trading, these CDs could lose value if redeemed prior to maturity. When CDs are recommended to clients, it is our intent that clients hold the CDs to maturity.

### **Cash Balances in Client Accounts**

Generally, cash in clients' investment accounts is swept into the bank or money market mutual fund accounts of the institutions (TD Ameritrade Institutional). Bowen discusses with each client, during the time of review conferences and at other times, upcoming cash

flow needs and seeks to plan accordingly to meet those needs. While it is not the practice to encourage clients to maintain a large amount of cash in their accounts, such may be undertaken at the request of the client, or for other reasons. Upon request of a client, cash balances will be maintained for temporary or short-term purposes.

### **Item 9 – Disciplinary Information**

The firm and its employees have not been involved in any legal or disciplinary events related to past or present activities.

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

John G. Bowen, CPA, CFP® is the sole owner of John G. Bowen & Co., LLC CPAs. Mr. Bowen has extensive experience in the Income Tax and Estate Planning fields. He offers advice to certain clients, through John G. Bowen & Co., CPAs as requested or needed. The fees for these services may be billed either hourly or for an agreed upon fee. Hourly rates vary with the expertise of the individuals involved. Clients will receive a fee quote prior to the commencement of any such engagement.

### **Item 11 – Code of Ethics**

The employees of Bowen have committed to a Code of Ethics and Fiduciary Oath as outlined by the National Association of Personal Financial Advisors (NAPFA). The key points are: putting clients' interest first, objectivity, confidentiality, competence, fairness and suitability, integrity and honesty, regulatory compliance, full disclosure, and professionalism. CFP® designees are also held to a Code of Ethics as outlined by the CFP® Board of Standards. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

### **Participation or Interest in Client Transactions**

Bowen and its employees may at times buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades.

The Chief Compliance Officer of Bowen is John G. Bowen. John reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees

was not based on inside information and that clients of the firm receive preferential treatment. The trades are not of a significant enough value to affect the securities markets.

## **Item 12 – Brokerage Practices**

### **About Our Relationships with Custodians**

**Non-Participation in Client Referral Programs of Custodians** Bowen will continue to avoid certain relationships with custodians (brokerage firms, etc.) and investment product providers which it believes might materially hamper its independence in providing advice to its clients or result in clients paying higher mutual fund management, administrative, or other product-related fees and costs. For this and other reasons, Bowen does not participate in the client referral programs which may be sponsored by such custodians. Nor does Bowen currently recommend to their clients any mutual funds or ETFs manufactured by affiliates of such custodians (although we may in the future recommend such funds if, after a process of due diligence, Bowen concludes that such mutual funds are the best funds in that particular asset class or would otherwise best meet a client's objectives).

**Use of Custodians, Generally** Bowen utilizes the services of TD Ameritrade Institutional (TD). TD provides our team members with access to institutional trading and custody services, which services are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis and at no charge to them. However, not all independent investment advisors recommend their clients to utilize particular custodians.

### **Discussion of Benefits to Bowen**

TD provides assistance with practice management and assistance with the management of client accounts, including but not limited to: (a) receipt of duplicate client confirmations; (b) receipt of electronic duplicate statements; (c) access to a trading desk serving investment adviser firm participants exclusively, and providing research, pricing information and other market data; (d) access to the investment advisor portion of their web site which includes practice management articles, compliance updates, and other financial planning related information and research materials (including, for example, rating reports on individual companies from Standard and Poors' or other sources), (e) access to other vendors (such as compliance providers or providers of research or other materials) on a discounted fee basis through discounts arranged by the custodians; (f) permitting Bowen to access an electronic communication network for client order entry and to access clients' account information and which may otherwise assist Bowen with its back-office functions, including recordkeeping and client reporting; and (g) conferences at which advisors and employees of our firms may attend (with no registration fees) and receive education on issues such as practice management, marketing, investment theory, financial planning, business succession, regulatory compliance and information technology.

Participation in the custodian's programs also provides access to certain mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors, such as the mutual funds of Dimensional Fund Advisors.

The benefits received through participation in the custodian's programs may depend upon the amount of transactions directed to, or amount of assets placed in custody with TD. Generally, many of these services may be utilized to service all or a substantial number of our clients' accounts. Educational, research, or other services provided by custodians or mutual fund companies may benefit all of Bowen's clients, or may benefit only some clients.

While as a fiduciary, Bowen endeavors to act in its clients' best interests, our requirement that clients maintain much of their assets in accounts at TD may be based in part on the benefit to our firm of the availability of some of the foregoing products and services at no cost to us, and not solely on the nature, cost, or quality of custody and brokerage services provided by the brokers, and this may create a potential conflict of interest. Bowen's clients may, therefore, pay higher transaction fees, commissions (for individual stock and ETF trades), and principal mark-ups and mark-downs (relating to purchases and sales on a principal, as opposed to an agency, basis), than those charged by other discount brokers. However, we have selected TD for their generally low fees relative to another large custodian. Also, please note that we prefer to recommend custodians that possess significant size and financial resources, for purposes of enhanced safety of clients' funds. For all of these reasons, the lowest cost custodian for clients may not be recommended to clients by Bowen.

## **About Our Relationships with Investment Product Providers**

**Dimensional Fund Advisors** Following a stringent interview process, Bowen was granted access by Dimensional Fund Advisors (DFA) to its mutual funds in 2001. Dimensional Fund Advisors is a Santa Monica, California-based mutual fund company with over 50 funds and over \$600 billion of assets under management (as of December 31, 2020).

While there is no direct linkage between the investment advice given and the approval of Bowen to access the mutual funds of Dimensional Fund Advisors, economic benefits are received which would not be received if Bowen did not give investment advice to clients. These benefits, which are also received by other Registered Investment Adviser firms granted access to the DFA funds, include: (a) attendance at seminars hosted by Dimensional Fund Advisors at which the investment products of Dimensional Fund Advisors are explained, academic instruction is given on asset allocation strategies, and financial planning and practice management instruction is given. Bowen pays all of the travel and hotel costs for members and staff attending these seminars. Dimensional Fund Advisors provides, at no charge to Bowen and the other attendees at such seminar, the

speakers and facilities for the seminar, occasional luncheons or dinners, and the materials handed out at the seminar; (b) access to the "financial advisor" portion of the Dimensional Fund Advisors web site ([www.dfaus.com](http://www.dfaus.com)), which contains additional academic research, practice management articles, newsletters, educational video presentations, software, and investment returns data; (c) use of the DFA Returns and DFA Allocation Evaluator software programs and accompanying data, which can be utilized to ascertain how different asset classes (as represented by various indices) and different mutual funds of Dimensional Fund Advisors have performed over time and which provide a method for calculation based upon historical results of rate of return and standard deviation for those asset classes and mutual funds; (d) various print materials (including article reprints and DFA brochures); (e) occasional practice management conferences and telephone conferences with Dimensional Fund Advisors' team members, including Regional Directors, research staff, and tax staff, to discuss specific issues relating to academic research relating to investment theory and/or relating to practice development (marketing) and management issues; (f) participation in a regional study group sponsored and hosted by Dimensional Fund Advisors; and (g) other services and benefits.

Bowen is under no obligation to recommend the mutual funds of Dimensional Fund Advisors to Bowen's clients. Bowen recommends funds of Dimensional Fund Advisors or other mutual fund companies or other investment products only when Bowen believes they best suit the client's objectives. Bowen does not provide any payment to Dimensional Fund Advisors for the access provided to Bowen's clients. Dimensional Fund Advisors does not pay to Bowen any direct monetary compensation to recommend the funds of Dimensional Fund Advisors.

### **Soft Dollars**

Bowen does not receive soft dollar benefits from the custodians to whom we recommend clients.

### **Block Trading**

Please see Item 5 above for a discussion on our block trading practices.

## **Item 13 – Review of Accounts**

### **Periodic Reviews**

The frequency of reviews is individually negotiated with each client. Clients are provided with quarterly, semi-annual or annual reviews, which vary in focus by quarter and may include asset allocation updates and rebalancing, performance reviews, tax and estate plan reviews, investment reviews, cash flow monitoring and more.

Account reviews are performed by John Bowen.

### **Review Triggers**

Account reviews for clients are performed more frequently when market conditions dictate, or when a client's objectives change. A review may be triggered by client request, changes in market conditions, new information about an investment, changes in tax laws, or other important changes.

### **Regular Reports**

Written reports are sent to clients based on their negotiated frequency of reviews. The reports may consist of a letter summarizing market results and our general thoughts on the economy, a statement of holdings from our portfolio accounting software, asset allocation analysis, tax-related information, updates to financial plan reports, portfolio graphs or other reports as needed.

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

### **Incoming Referrals**

Bowen has been fortunate to receive many client referrals over the years. The referrals have come from current clients, estate planning attorneys, accountants, mortgage originators, personal friends and other sources. The firm does not pay for referrals.

### **Referrals to Other Professionals**

Bowen does not accept referral fees or any form or remuneration from other professionals when a prospect or client is referred to them.

## ***Item 15 – Custody***

**No Custody of Securities** It is our policy to not accept custody of a client's securities. However, with a client's consent, Bowen may be provided with the authority to seek deduction of Bowen's fees from a client's accounts; this process generally is more efficient for both the client and the investment adviser, and there may be tax benefits for the client to this method when fees can be paid from certain tax-deferred accounts.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Bowen urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

**Discretion over client accounts** Bowen accepts discretion over clients' accounts. Each client's grant of discretion is evidenced in the client services agreement (or addendums thereto) signed by the client, and is further evidenced to the custodians through a limited power of attorney contained in the account establishment form signed by the client or a separate limited power of attorney document signed by the client. Nearly all clients appoint Bowen as the client's agent and attorney-in-fact with respect to undertaking trades in client accounts; Bowen's ability to enter trades electronically for clients often provides reduced transaction fees and other benefits to the client.

Bowen believes that having discretion over client accounts enables our firm to better serve our clients. Moreover, Bowen seeks to undertake a minimal amount of trading in client accounts, to keep transaction fees, other expenses, and tax consequences associated with trading to minimal levels.

When selecting securities and determining amounts, Bowen observes the investment policies, limitations and restrictions of the clients for which it advises.

Investment guidelines and restrictions must be provided to Bowen in writing.

## **Item 17 – Voting *Client Securities***

**Our Proxy Voting Policies** As a matter of firm policy and practice, Bowen does not accept authority to vote proxies on behalf of clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Generally, clients will receive their proxies or other solicitations directly from the custodian or transfer agent. However, clients may call or e-mail their advisor with questions regarding a particular proxy or other solicitation, and Bowen may provide advice to clients regarding clients' voting of proxies or such solicitations, upon request of a client or clients or in unusual circumstances.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Bowen's financial condition. Bowen 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.

## **Item 19 – Requirements for State-Registered Advisers**

Bowen is not compensated for advisory services with performance-based fees. Bowen has not been involved in an award or otherwise been found liable in an arbitration claim or civil, self-regulatory organization, or administrative proceeding involving any matter. Bowen does not have any relationship or arrangement with any issuer of securities that is not listed in Item 10.C of Part 2A.

## **Brochure Supplement (Part 2B of Form ADV)**

### **Item 1: Cover Page**

*Supervised Persons*  
John G. Bowen, CPA, CFP®

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As of March 29, 2021

This brochure supplement provides information about John G. Bowen that supplements our Form ADV, Part 2 (brochure, attached). You should have received a copy of that brochure. Please contact John G. Bowen, Chief Compliance Officer if you did not receive Bowen Financial Services' brochure or if you have any questions about the contents of this supplement.

Additional information about John G. Bowen is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

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## **Item 2: Educational Background and Business Experience**

**John G. Bowen, CPA, CFP®, NAPFA -Registered Financial Advisor®, Founder**

Year of Birth: 1958

Formal Education after High School:

State University of New York, B.S. Accounting, 1980

Business Background:

August 1999 to Present – Bowen Financial Services, LLC – Founder

November 1992 to Present – John G. Bowen & Co., LLC CPA – Founder

November 1982 to November 1992 – KPMG, LLP - Senior Manager – Tax

John passed the CPA exam in 1982 and currently holds the Certified Public Accountant (CPA) license in Virginia. CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include at minimum a college education (120 credit hours when John was licensed, with at least a baccalaureate degree and a concentration in accounting), two years experience providing services that involved the use of accounting, attestation, compilation or tax skills, all of which must be achieved under the supervision of, or verification by a CPA, and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, Virginia requires completion of continuing professional education (CPE) of 120 hours over a three year period. Additionally, CPAs are required to follow a rigorous Code of Ethics which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interests (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services. Virginia requires CPAs to complete a 2 hour Ethics course annually.

John obtained the Certified Financial Planner® (CFP®) designation in 1998. The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board")

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education - 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. The CFP Board also requires completion of advanced college-level course 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. The CFP Board has approved specific academic degrees and professional credentials as fulfilling the education requirement for CFP® certification. Licensed CPAs are automatically eligible to apply for the CFP®. John successfully challenged the CFP® examination based on his CPA license and experience;
- Examination - Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience - Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year);
- 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.

John is a member of the National Association of Personal Financial Advisors (NAPFA). John is also a NAPFA-Registered Financial Advisor®. NAPFA-Registered Financial Advisor® is the top level of membership in the National Association of Personal Financial Advisors. All NAPFA-Registered Financial Advisors® must possess three years of comprehensive financial planning experience and have a sample comprehensive financial plan pass a peer review process. Since Jan. 1, 2009 all NAPFA-Registered Financial Advisors® must possess a Bachelor's degree from an accredited institution. Since Jan. 1, 2010 new NAPFA-Registered Financial Advisors® must also possess either the Certified Financial Planner™ designation awarded by

the Certified Financial Planner Board of Standards, Inc., or (since mid-2010) the American Institute of Certified Public Accountants' Personal Financial Specialist (CPA/PFS) credential. All NAPFA-Registered Financial Advisors® must also adhere to NAPFA's Fiduciary Oath, Standards of Membership and Affiliation, and Bylaws. NAPFA-Registered Financial Advisors® must also comply with NAPFA's industry-leading strict continuing education requirements of sixty hours every two years. All NAPFA-Registered Financial Advisors® provide investment and/or financial advice on a strictly Fee-Only basis as defined by NAPFA. NAPFA defines a Fee-Only financial advisor as one who is compensated solely by the client with neither the advisor nor any related party receiving compensation that is contingent on the purchase or sale of a financial product. No NAPFA-Registered Financial Advisor® may receive commissions, rebates, awards, finder's fees, bonuses or other forms of compensation from others as a result of a client's implementation of the individual's planning recommendations. In addition, NAPFA-Registered Financial Advisors® must continue to meet NAPFA's standards for strong character and adherence to the laws and regulation governing the profession.

John has chosen to participate in NAPFA's "Find an Advisor" listing of advisors, a benefit provided by payment of regular annual membership fees to all NAPFA-Registered Financial Advisors®, NAPFA Corporate Members and NAPFA Provisional members. Only fee-only registered investment advisers who are in these membership categories may participate in the Find an Advisor program. NAPFA does not receive any portion of fees paid by clients who engage a personal financial advisor as a result of the information provided by NAPFA's Find an Advisor program.

**Item 3: Disciplinary Information:**

Registered investment advisors are required to disclose certain events which may be material to a client's decision regarding whether to invest with the advisor. These include civil or criminal actions involving felonies; misdemeanors involving investments, fraud, false statements, or other acts of misrepresentation; or the violation of an investment-related statute or regulation or any order prohibiting the person from engaging in investment-related activity.

Mr. Bowen has no applicable events to disclose.

**Item 4: Other Business and Professional Activities:**

John devotes a substantial portion of his time (up to 25% of his business-related time each year) providing tax consulting and tax compliance services through John G. Bowen & Co., LLC CPAs.

John is a member of the Virginia Society of Certified Public Accountants.

John has served as President of the Central Virginia Chapter of the Financial Planning Association (FPA).

John has been a member of the Small Business Study Group since 1992. This group of Richmond, VA Tax Attorneys and Tax oriented CPAs meets six times annually to discuss developments in the field of taxation.

John currently serves on the Board of the Stanley Stone Estates Homeowner's Association. Previously, John served on the board of directors for the Chesterfield Business Council, the Powderham Neighborhood Association and the finance committee for the Tarrington Homeowner's Association.

John is past secretary and president of the Kiwanis Club of James River. John first joined the Kiwanis Club of James River in 1992 and remained a member until the club's dissolution in 2013. John is a former member of the Huguenot Trail Rotary Club.

#### **Item 5: Additional Compensation**

Mr. Bowen receives no compensation or economic benefit for providing advisory services outside of his work with Bowen Financial Services, LLC.

#### **Item 6: Supervision**

John Bowen's compliance-related activities are supervised by John Bowen, Chief Compliance Officer.

#### **Item 7: State Disclosure Requirements**

The Advisor's principal executive officer is:

John G. Bowen, CRD 2907797

The Advisor does not engage in any business other than providing investment advice, financial planning and asset management. However, as noted elsewhere, the advisor is affiliated with a CPA firm and its principal devotes time to that business as disclosed above in item 4.

The advisor does not charge performance-based fees. The advisor does not have any arbitration or proceeding results to disclose. The advisor and its personnel have no relationship or arrangement with any issuer of securities.