Firm Brochure

2011

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CEP FINANCIAL

Our Services

CEP Financial LLC (CEP) provides its Clients with fee-only financial planning and investment advisory services.

Business Philosophy

Independence

CEP is independently owned by Peter J Regan. CEP does not accept payments of any kind from any third party. CEP does not accept commissions, fees, or payments of any kind from any brokerage firm, mutual fund company, bank, or insurance company. Because of this independence CEP is not limited to any subset of investment alternatives and is free to use any investment vehicle or strategy.

Process

CEP is a financial planning firm that follows the FINANCIAL PLANNING PROCESS. Before any recommendations are made a thorough review of clients' goals, financial situation, and personal tolerances for risk is performed. Only after this analysis is complete are recommendations made.

Investment Philosophy

Risk and Return

Investments in the equity markets (stocks) will over time earn significantly higher rates of *return* than investments in the fixed income markets (bonds and cash). Investments in the equity markets will also suffer losses more frequently than the fixed income markets. This chance of loss is called *risk*. To balance this trade off between *return* and *risk*, we recommend broadly diversified portfolios allocated to multiple asset classes with additional diversification within each asset class.

Expenses and Taxes

It is not enough to just manage investment risk and return. Expenses and taxes are also key elements in any investment portfolio. Any reduction in expenses or taxes will improve a client's rate of return and this improvement can be dramatic if, as we suspect, the markets experience rates of return lower than the historical averages. We use passively managed investments (low expense) for part of a client's portfolio and actively managed investments for the portion of a client's portfolio with higher risk. We explore all investment vehicles open to our clients to minimize taxes and expenses.

Financial Planning Service

CEP prepares both comprehensive and segmented financial plans. CEP begins by gathering, analyzing, and evaluating data from the client, including goals and objectives. Comprehensive plans include a case summary, reports on financial position, cash flows, tax liabilities, insurance coverage, client goals and objectives and investment strategies. Plans are prepared based on client interviews, questionnaires, and /or documents supplied by the client. A customized plan is prepared for each client.

Segmented financial plans include retirement planning, tax planning, cash flow analysis, estate planning, education planning, asset protection analysis, business planning, investment planning and special situations.

Investment Advisory Service

This service is for Clients who want assistance in designing, implementing, monitoring, and maintaining an investment portfolio. In addition to the analysis performed to prepare a financial plan, this service also includes:

- Determining clients' investment goals
- Evaluating current assets
- Determining projected cash flow needs
- Determining any investment constraints

- Determining client risk tolerance

- Developing an investment strategy including specific investment recommendations

- Maintaining and monitoring the portfolio

Experience

Prior to becoming a CFP® practitioner, Mr. Regan spent 25 years auditing and managing pension plans, 401ks, IRAs, insurance and annuity contracts. Mr. Regan has practiced as a Certified Financial Planner® practitioner since 1996. He has prepared financial plans for and managed the investments of hundreds of individuals, trusts and small companies. He served on the Board of the Houston Chapter of the Texas Society of CPAs and was chairman of the Financial Planning Committee. Mr. Regan also teaches a class in financial planning at Saint Thomas University in Houston to financial professionals that are studying to become Certified Financial Planners®.

Education and Professional Designations

BBA - Accounting Temple University

MBA - Finance Temple University

Certified Financial Planner®, practitioner

Chartered Life Underwriter