

## Part 2A of Form ADV: Firm Brochure

### Item 1 Cover Page

March 31, 2011

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This brochure provides information about the qualifications and business practices of Peters Financial Planning Corporation. If you have any questions about the contents of this brochure, please contact us (302) 656-1007 or [michael@petersfinancialplanning.com](mailto:michael@petersfinancialplanning.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Peters Financial Planning Corporation is also available on the SEC's website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

Peters Financial Planning Corporation is a Registered Investment Advisor. Registration does not imply a certain level of skill or training.

## Item 2 Material Changes

There are no Material Changes to this brochure since the Firm's last annual update

Item 3 Table of Contents

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#### Item 4 Advisory Business

Peters Financial Planning Corporation (PFPC) offers personalized investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities. The Firm's services and fee arrangements are described in the following pages.

##### **Education and Business Standards**

PFPC requires the following minimum standards of education or business experience of those individuals determining or giving investment advice to Clients. An IAR of PFPC must first be appropriately registered as a RR of LPL Financial. In addition, an IAR of PFPC must hold one of the following; a Bachelor Degree, MBA, CFP, CLU, ChFC, LLM, CPA, MSFS, or have three years experience in investment and financial services.

##### **Education and Business Background**

The following list the year of birth, formal education after high school, and last 5 years of business experience for each principal executive officer of PFPC:

##### **Alan E. Peters    Born 1945**

###### **Formal Education after High School:**

Parsons College    B.A.  
Fairfield, IA    Business

American College  
Bryn Mawr, PA    CLU, ChFC, MSFS

###### **Business Background:**

Peters Financial Planning Corp.    1986-Present  
President

Alan Peters and Associates    1986-Present  
Registered Representative with LPL Financial Group

##### **Claudia H. Peters    Born 1943**

###### **Formal Education after High School:**

Westminster Choir College    BME  
Princeton, NJ    Music

Goldey Beacom College  
Wilmington, DE

###### **Business Background**

Peters Financial Planning Corp.    1986-Present  
Secretary/Treasurer

Alan Peters and Associates    1986-Present  
Secretary/Treasurer

PFPC is a corporation formed under the laws of the State of Delaware; and PFPC is registered with the State of Delaware as a registered investment adviser. PFPC has been in business for 25 years, since 1986. This narrative provides Clients with information regarding PFPC and the qualifications, business practices, and nature of advisory services that should be considered before becoming an advisory Client of PFPC. The types of advisory services PFPC offers are listed below.

### **Financial Planning Services**

Qualified and approved Investment Adviser Representatives of PFPC may offer financial planning services.

Clients may choose from a menu of services listed below. Clients may choose to receive a comprehensive financial plan charged at a fixed fee or hourly rate. Additional specific financial planning issues are also offered typically on an hourly basis, however depending upon the complexity and type of issue to be contracted for, may be offered at a fixed fee.

Financial planning services that may be offered by qualified IARs include: Personal Financial Planning Analysis

- ☐ Financial Organization
- ☐ Cash Flow Analysis
- ☐ Education Analysis
- ☐ Insurance Needs and Policy Analysis
- ☐ Income Tax Planning
- ☐ Investment Analysis
- ☐ Financial Independence
- ☐ Estate Planning
- ☐ Retirement Planning

Each Client will be required to select some or all of these items on an a-la-carte basis, which will then result in a written personal financial plan and/or a topic specific written analysis and recommendations. In order to provide the service, the Client may be required to provide information to PFPC in the form of income tax returns, estate planning documents, bank statements, securities portfolio statements, life insurance policies and any other information or documents that would be relevant to the contracted service. The PFPC IAR may also need to work closely with the Clients' accountant, attorney, and/or other professionals in providing the required information to the PFPC IAR. Financial plans **may not** be completed until the Client provides all required information and documentation. Under no circumstances will any written financial plan and or analysis take more than six months to complete.

### **Solicitation/ Referral Services to Sponsored Programs Directly Managed Programs**

In directly managed programs, PFPC will refer Clients to independent, third party investment advisors (TPIA). The TPIA manages the Client's account in accordance with the disclosures set forth in the third party investment advisor's documents. PFPC is engaged by the TPIA to provide referral services on behalf of the TPIA pursuant to an agreement between PFPC and the TPIA. PFPC is compensated by the TPIA for referring the clients. The TPIA may assume discretionary authority over the assets in the accounts participating in these programs.

PFPC provides the following services on behalf of the TPIA. PFPC typically gathers information from the Client about the Client's financial situation, investment objectives, and reasonable restrictions the client wants to impose on the management of the account. PFPC then periodically

reviews reports provided to the Client; contacts the Client at least annually to review the Client's financial situation and objectives; communicates information to the third party investment advisor as warranted; and assists the Client in understanding and evaluating the services provided by the third party advisor that is directly managing the account. Fees for these services may be negotiated between PFPC and the TPIA. Fees for these services may be negotiated, but generally range from .75% to 3.0%, depending upon the program selected, the size of the account and the services covered. Under some programs, an all-inclusive fee covers account management, brokerage, clearance, custody, and administrative services. In other programs the account may be charged separately for such services.

The amount of the fees, the services provided, the payment structure, termination provisions and other aspects of each program are detailed and disclosed in the third party investment advisor's Part II of Form ADV, the program's wrap fee disclosure brochure (if applicable), or other applicable disclosure document, and in the account opening documents. PFPC will share in the fee charged by the third party advisor.

Clients receive an account statement at least quarterly, which includes the amount of any fees paid directly to the third party investment advisor. IARs of PFPC, or the third party investment advisor may act as broker in connection with the program and may receive additional compensation in the form of commissions.

### **Manager Selection Program**

In this program, PFPC will refer its Clients to third party investment advisors who sponsor the program. The third party investment advisor who sponsors the program evaluates other independent investment advisors and selects certain of these advisors to participate as portfolio managers in the program. The Client reviews the list of the participating portfolio managers with PFPC and selects one or more portfolio manager(s) to manage the account. The manager(s) selected by the Client, provides portfolio management services and may assume discretionary authority over the account. PFPC and its IARs will not otherwise manage or obtain discretionary authority over the assets in accounts participating in these programs.

The IAR of PFPC typically gathers information from the Client about the Clients' financial situation, investment objectives and reasonable restrictions the Client wants imposed on the management of the account. The IAR then, periodically reviews reports provided to the Client; contacts the Client at least annually to review the Client's financial situation and objectives; communicates information to the adviser managing the account as warranted; and assists the Client in understanding and evaluating the services provided by both the third party investment adviser sponsoring the program and the adviser managing the account. Clients will be reminded to notify the IAR of any changes in their financial situation, investment objectives, or account restrictions. Clients may also contact the third party adviser that is directly managing the account or sponsoring the program. Certain third party advisers offer advisory services which under the PFPC assists the Client in selecting asset allocation classes; an investment strategy or a model portfolio consisting of mutual funds and/or variable annuities; or participating mutual funds and/or variable annuities. The third party will either rebalance the funds, annuities, asset allocations, or model portfolios selected by the Client on a predetermined schedule or actively manage a portfolio of mutual funds and/or variable annuities in accordance with the client's stated general strategy or objectives.

Any rebalancing or reallocation may involve capital gains and/or losses for each transaction, and in non-tax deferred account, may result in additional taxes and/or tax reporting.

## Item 5 Fees and Compensation

### **Fees**

Fees for a financial plan and/or analysis on specific Client needs will be determined on a fixed or hourly fee basis and will be based upon the complexity of the Client's situation, the physical location of the IAR, and/or the experience of the IAR providing the service. Fees for financial plans will be discussed and agreed upon between the Client and the IAR and will be specifically identified in the appropriate contract.

**Comprehensive Financial Plan:** First year fee is based on two percent (2%) of annual gross cash receipts subject to a minimum fee of \$2,000. One half of the anticipated fee shall be paid upon execution of this letter with the balance due and payable upon presentation of the completed plan. Renewal fees for the second and subsequent years will be \$500.

**Basic Financial Plan:** The first year fee is based on one percent (1%) of annual gross cash receipts and subject to a minimum fee of \$1,000. One half of the anticipated fee shall be paid upon execution of this letter with the balance due and payable upon presentation of the completed plan. Renewal fees for the second and subsequent years will be \$350.

**Consultation and Special Reports:** Fees for analysis of specific areas of planning including Income Tax, Cash Flow and Debt Management, Education, Estate Planning, or Retirement Planning are negotiable but will range from a minimum of \$350 to \$850. Consultations will be done on an hourly basis subject to a minimum fee of \$100 for up to one and one-half hours.

All contracts will be limited to the service being provided in under a six-month period of time. No annual agreements or agreements providing for ongoing financial planning services will be offered. Termination of the contract during the six-month period will result in a full refund to the client of the renewal fee paid for the six-month period.

Half of the fixed fee for a written financial plan may be payable in advance and the balance upon completion of the services and delivery of the plan. The agreement can be terminated with 30 day notice by the client or PFPC. Termination of the contract during the preparation and delivery of the plan will result in a full refund to the client.

Fees may be negotiated, but generally range from .50% to 3% of the assets under management, depending upon the program selected, the size of the account and the service covered. Under some programs, an inclusive fee covers account management, brokerage, clearance, custody, and administrative services. In other programs the account may be charged separately for such services. The amount of the fees, the services provided, the payment structure, termination provisions and other aspects of each program are detailed and disclosed in the third party investment adviser's Part II of Form ADV, the program wrap fee disclosure brochure (if applicable), or other applicable disclosure document, and in account opening documents. PFPC will share in the fee charged by the third party investment adviser.

### **Fees for Solicitation/ Referral Services to Sponsored Programs Directly Managed Programs**

These fees are in addition to the internal advisory fees and expenses paid by the mutual fund of variable annuity companies to their separate investment advisers. In addition, variable annuity companies generally impose mortality charges in such accounts of approximately 1.25% annually.

Clients receive an account statement at least quarterly, which includes the amount of any Fees paid directly to the third party investment adviser or any other adviser selected by the Client to manage the account. PFPC, or the program sponsor may act as broker in

connection with mutual funds and variable annuities which are designated for management in the program and thus may receive, or continue to receive, additional compensation.

**GENERAL INFORMATION ON ADVISORY PROGRAMS AND FEES**

In certain circumstances, fees and account minimums may be negotiable. The fee charged is calculated as described above and is 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 (SEC Rule 205 (a)(1)). All fees paid to PFPC are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a Client may pay an initial or deferred sales charge.



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

Advisors of Peters Financial Planning Corporation do not engage in the practice of Performance Based Fees or Side-By-Side Management.

Item 7      Types of Clients

Peters Financial Planning Corporation generally provides advice to Individuals, Trusts, Estates, or Charitable Organizations.

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

Peters Financial Planning uses Fundamental and Technical Methods of Analysis.

Item 9      Disciplinary Information

There are no Criminal, Regulatory, or Civil Judicial Actions to which PFPC or the IAR's of PFPC have been involved in to report.

Item 10 Other Financial Industry Activities and Affiliations

PFPC and other IARs and principal executive officers of the applicant are licensed to sell securities through LPL Financial, a securities broker/dealer registered with the Securities and Exchange Commission and the Financial Industry Regulatory Authority. In this capacity they are involved in the sale of securities of various types, including, but not limited to stocks, bonds, mutual funds, and limited partnerships. In addition, IARs of PFPC are also involved with the sale of life and health insurance products. IARs and principal executive officers of the applicant spend approximately 50% of their time selling securities and insurance and 50% of the time providing investment advice.

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

IARs of PFPC may be associated with LPL financial, a registered FINRA broker/dealer and investment advisor and various regulatory agencies. If an advisory client implements recommendations made by the Applicant by purchasing securities or other products through LPL, the Applicant may receive additional compensation in the form of commissions, including 12b-1 fees for the sale of investment company products.

The Applicant or its associated persons may recommend to clients the purchase or sale of investment products in which it or a related person may have some financial interest, including, but not limited to the receipt of compensation.

The Applicant may buy or sell for itself investment products recommended to clients. Records will be maintained of all securities or insurance products bought or sold by the applicant, associated persons, or related entities. Such records will be available for inspection upon request.

Files of securities transactions affected for associated persons of the Applicant will be maintained for review should there be a conflict of interest. The principal of the Applicant will review all securities transactions of related persons of the Applicant to ensure no conflicts exist with client executions.

Item 12 Brokerage Practices

Investment Advisory Representatives of the Applicant are registered representatives offering securities through LPL Financial, a registered general securities broker/dealer member FINRA & SIPC. The applicant's advisory clients are free to implement advisory recommendations through any firm. There is no obligation to effect transactions through LPL or the IAR in their capacity as a securities salesperson. The Applicant does not warrant or represent that commission for transactions implemented through LPL will be lower than commission available if the client used another brokerage firm. The Applicant believes, however, that the overall level of services and support provided to the clients by LPL outweighs the potentially lower transaction costs available under other brokerage arrangements. If an advisory client implements recommendations made by the Applicant by purchasing securities or other products, the Applicant may make conflicting or differing recommendations with respect to the same securities or insurance products to different advisory clients. Clients are allowed to choose any broker/dealer to implement the recommendations from LPL.

PFPC also has arrangements to sell insurance through several companies. A list of insurance companies represented is available upon request. If an advisory client implements recommendations made by PFPC, the applicant's associated persons may receive additional compensation in the form of commissions.

Item 13      Review of Accounts

IARs of PFPC will periodically review the performance of all client investment accounts handled by them (whether the transactions were executed through the IAR or by another entity, as long as the client keeps the IAR apprised of their actions) in light of the client's identified needs, objectives and financial plan, unless client instructs otherwise. PFPC advises clients to request a review from their IAR at least annually, or more frequent if required. The IAR makes no representation with respect to legal or tax matters.

The frequency and nature of reports to the client is determined by the agreement between the IAR of PFPC and the client. Such reports may or may not be in writing, and may entail different depths of analysis as agreed to by the client. Quarterly reports may be provided by advisory representatives under Plan 2 & 3. Reports may include description of client's holdings, total assets, and current values, management fees and method of their calculation.

The principal executive officers and other associated persons of PFPC are also registered as representatives of LPL, a broker/dealer and FINRA member firm. LPL is required to supervise the securities trading activities of its representatives.



Item 14      Client Referrals and Other Compensation

Principal executive officers or IARs of PFPC may, from time to time, receive incentive rewards for the recommendation/introduction of investment products. The receipt of this compensation may affect PFPC or the IAR's judgment in recommending products to its Clients.

In addition, the principal executive officers and other IARs of PFPC may, from time to time, receive 12b-1 distribution fees from investment companies (mutual funds).

In addition, IARs of PFPC do not directly or indirectly compensate any person for client referrals.

Item 15 Custody

PFPC does not have custody of clients' assets.

Item 16 Investment Discretion

IARs of PFPC do not have the authority to determine, without obtaining specific client consent, the securities to be bought or sold; amount of securities to be bought or sold; the broker or dealer to be used; or the commission rates paid.

Item 17      Voting Client Securities

**Proxy Voting**

PFPC will not be required to take any action or render any advice with respect to voting of proxies solicited by, or with respect to, the issuers of securities in which client's assets may be invested. All proxy related materials received directly by PFPC will be forwarded to the client for direct action.

**Class Action Lawsuits**

From time to time, securities held in the accounts of clients will be the subject of class action lawsuits. PFPC has no obligation to determine if securities held by the client are subject to a pending or resolved class action lawsuit. PFPC also has no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, PFPC has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct or negligence by corporate management of issuers whose securities are held by clients.

Where PFPC receives written or electronic notice of a class action lawsuit, settlement or verdict affecting securities owned by a client, it will forward all notices, proof of claim forms and other materials, to the client. Electronic mail is acceptable where appropriate, and the client has authorized contact in this manner.

Item 18 Financial Information

PFPC does not have custody of client funds or securities or require prepayment of more than \$500 in fees per client and 6 months or more in advance. Therefore, PFPC is not required to provide a balance sheet for the most recent fiscal year on Schedule G.

Item 19 Requirements for State-Registered Advisers

Identify each of your principal executive officers and management persons, and describe their formal education and business background. The Education and Business background for Alan Peters and Claudia Peters can be found under Item 4, Advisory Business.

**Michael J. Martin**      **Born** 2/4/1963  
**Formal Education after High School**  
Penn State University Bachelor of Arts in Demography  
  
**Business Background**  
Alan E. Peters and Associates      1990 - Current  
Registered Representative with LPL Financial Group  
  
Peters Financial Planning Corporation 1990 – Current  
Chief Compliance Office

**Michael J. Dedda**      **Born** 06/27/1969  
**Formal Education after High School**  
Villanova University Bachelor of Science Degree in Finance  
  
**Business Background**  
Chester Springs Financial Group      2008- Current  
Registered Representative with LPL Financial Group  
  
Montgomery Insurance      2003- 2008  
Registered Representative

Other Business Activities and the allocation of time spent on each activity is addressed in Item 10, Other Financial Industry Activities and Affiliations.

In addition to the events listed in Item 3 of Part 2B, no IAR of PFPC has been involved in one of the events listed below:

An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or

(e) dishonest, unfair, or unethical practices.

B. No IAR of PFPC has been the subject of a bankruptcy petition.