

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

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**This brochure provides information about the qualifications and business practices of Focus Financial Planning, LLC. If you have any questions about the contents of this brochure, please contact us at (248) 646-0696 or [wturner@focusfg.com](mailto:wturner@focusfg.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 Focus Financial Planning, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 126970.**

## **Item 2    Material Changes**

The SEC adopted "Amendments to Form ADV" in July 2010. This Firm Brochure, dated 03/28/2011, is our new disclosure document prepared according to the SEC's new requirements and rules. As you will see, this document is a narrative that is substantially different in form and content, and includes some new information that we were not previously required to disclose.

After our initial filing of this Brochure, this Item will be used to provide our clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

Consistent with the new rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

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## **Item 4    Advisory Business**

Focus Financial Planning, LLC (hereinafter “Focus Financial Planning” or “firm” or “we”) is an SEC-registered investment adviser with its principal place of business located in Michigan. Focus Financial Planning began conducting business in 2003.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- James E. Mathias Living Trust
- Wilma M. Turner Living Trust

In addition, the following information identifies the trustees of the above-listed trusts. These individuals indirectly own 25% or more of Focus Financial Planning:

- James Edward Mathias III, President and Chief Compliance Officer
- Wilma M. Turner, Vice President

Focus Financial Planning offers the following advisory services to our clients:

### **INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT**

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Third Party Asset Managers
- Closed End Funds
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Options contracts on securities
- Options contracts on commodities
- Futures contracts on tangibles
- Futures contracts on intangibles
- Interests in partnerships or trusts investing in real estate
- Interests in partnerships investing in oil and gas interests
- Interests in partnerships or trusts investing in equipment leasing

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

### **SELECTION & MONITORING SERVICE**

Focus Financial Planning offers an asset allocation system known as the GFWM Platform. For more information regarding the Genworth Financial Wealth Management Platform, refer to Appendix 1, GFWM Platform Disclosure Brochure, Item 4.

The minimum investment required in the GFWM Platform depends upon the Investment Solution chosen for a client's account and is generally \$25,000-\$50,000 for Mutual Fund and Variable Annuity accounts and \$100,000 for ETF Accounts, \$250,000 for Distribution Strategies, and from \$50,000 to \$500,000 for Privately Managed and Unified Managed Accounts, depending on the investment strategy selected for the account, as described in more detail in the GFWM Platform Disclosure Brochure, Appendix 1. Accounts below the stated minimums may be accepted on an individual basis at the discretion of the Platform sponsor.

## FINANCIAL PLANNING

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives.

In general, the financial plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **BUSINESS OWNERSHIP:** Succession planning and benefits
- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEATH & DISABILITY:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **ESTATE:** We assist the client in assessing and developing long-term strategies, including as appropriate, trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client and prepare a written report. Should the client choose to implement the recommendations contained in the

plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, college funding, estate planning and business planning.

Typically the financial plan is presented to the client within one month of the contract date, provided that all information needed to prepare the financial plan has been promptly provided.

Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

### **PUBLICATION OF PERIODICALS**

Focus Financial Planning publishes a newsletter providing general information on various financial topics including, but not limited to, estate and retirement planning, market trends, etc. No specific investment recommendations are provided in this newsletter and the information provided does not purport to meet the objectives or needs of any individual. This newsletter is distributed free of charge to our advisory clients and prospective clients.

### **CONSULTING SERVICES**

We provide investment advice on partnership investments. Our advice is limited to review of the prospectus or offering document for appropriateness of the investment. Clients can also receive investment advice on an isolated area(s) of concern such as estate planning, retirement planning, or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns of the client.

Consulting recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

### **AMOUNT OF MANAGED ASSETS**

As of 12/31/2010, we were actively managing \$35,064,218 of clients' assets on a non-discretionary basis.

## **Item 5 Fees and Compensation**

### **INVESTMENT SUPERVISORY SERVICES INDIVIDUAL PORTFOLIO MANAGEMENT FEES**

Our annual fees for Investment Supervisory Services are based upon a percentage of assets under management and generally range from 0.5% to 2.00% depending upon the size of the portfolio and complexity of services required.

Clients are invoiced in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the client's average account during the previous quarter.

A minimum of \$500,000 of assets under management is required for this service. This account size may be negotiable under certain circumstances. Focus Financial Planning may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

***Limited Negotiability of Advisory Fees:*** Although Focus Financial Planning has established the aforementioned fee schedule, we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

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

Discounts, not generally available to our advisory clients, may be offered to family members of associated persons of our firm.

### **SELECTION & MONITORING SERVICE**

Accounts on the GFWM Platform are assessed a total Account Fee. This Account Fee includes the Financial Advisor's fee plus the fees for utilizing the GFWM Platform (together the "Advisory Fee"). Additionally, the Account Fee may also include fees payable to any third-party Discretionary Manager under the IMA, CMA or UMA investment solutions. Fees and compensation for using the GFWM Platform, including Discretionary Manager fee schedules, are provided in the GFWM Platform Disclosure Brochure, Appendix 1, Item 4.

After the GFWM Platform Fee is deducted from the Advisory Fee, the resulting net fees are payable to the Financial Advisor.

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee (%)</u></b>
<\$500,000	1.0%
\$500,001 - \$1,000,000	0.8%
Over \$1,000,000	0.5%

Client fees are payable quarterly, in advance, based on assets under management. Clients may terminate GFWM accounts at any time and receive a full pro-rata refund of any unearned fees.

### **FINANCIAL PLANNING FEES**

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

Our Financial Planning fees are calculated and charged on a fixed fee basis, which are typically no more than 0.1% of the Client's net worth. As our fee is based on each client's personal situation, complexity of the service, and time commitment required, we will provide an estimate of the total fee at the start of the advisory relationship. We require a minimum fee of \$1,100 in the first year of the advisory relationship.

We request a retainer equal to half of the estimated total fee upon signing contract; however, advance payment will never exceed \$1,200 for work that will not be completed within six months. The balance is due upon completion of the plan.

### **PUBLICATION OF PERIODICALS OR NEWSLETTERS**

Our newsletter is distributed free of charge to clients and prospective clients.

### **CONSULTING SERVICES FEES**

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

Our Consulting Services fees can be calculated and charged either on an hourly basis or for a flat fee. Our hourly rate for consulting services depends on the complexity of service to be

provided. The maximum hourly rate for consulting services is \$350 per hour. An estimate for the total hours is determined at the start of the advisory relationship. Clients who will be charged a flat fee will receive an estimate of the total fee for services.

Management personnel and other related persons of our firm are licensed as registered representatives of a broker-dealer and/or licensed as insurance agents or brokers. In their separate capacity(ies), these individuals are able to implement investment recommendations for advisory clients for separate and typical compensation (i.e., commissions, 12b-1 fees or other sales-related forms of compensation). This presents a conflict of interest to the extent that these individuals recommend that a client invest in a security which results in a commission being paid to the individuals. Clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

## GENERAL INFORMATION

***Termination of the Advisory Relationship:*** A client agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period. Should a financial planning or consulting client terminate an agreement prior to completion of the financial plan, the Client will be invoiced for the portion of time Focus Financial Planning incurred in the development of the financial plan or consultation prior to termination at an hourly rate of up \$350. The hourly rate charged will be determined by the complexity of the service and at the discretion of Focus Financial Planning.

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

***Additional Fees and Expenses:*** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including,

but not limited to, any transaction charges imposed by a broker-dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

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

***ERISA Accounts:*** Focus Financial Planning is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"). As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Focus Financial Planning may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset Focus Financial Planning, LLC advisory fees.

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

***Limited Prepayment of Fees:*** Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

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

Focus Financial Planning does not charge performance-based fees.

## **Item 7 Types of Clients**

Focus Financial Planning provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Corporations or other businesses
- Trusts
- 401K and other qualified plans

As previously disclosed in Item 5, our firm has established certain minimum account requirements to maintain an account, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

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

### **METHODS OF ANALYSIS**

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

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

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

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

### **INVESTMENT STRATEGIES**

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

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

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

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

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

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

**GFWM Platform:** In advising retail clients of Focus Financial Planning investing in GFWM Platform, Focus Financial Planning uses model portfolios of mutual funds, Exchange Traded Funds (ETFs) and Variable Annuity sub-accounts provided by a number of institutional investment strategists and based on the information, research, asset allocation methodology and investment strategies of these institutional strategists.

Focus Financial Planning also introduces clients to, and advises on the selection of, independent investment managers who provide discretionary management of individual portfolios using a variety of different securities analysis methods, sources of information and investment strategies. Clients will receive separate disclosure from such investment managers regarding any such investment manager's advisory services.

With respect to clients investing in the GFWM Platform, Focus Financial Planning introduces clients to, and advises on the selection of, independent investment managers who provide discretionary management of individual portfolios including a wide variety of different securities types. Clients will receive a separate disclosure from such investment managers regarding any such investment manager's advisory services.

**Risk of Loss.** Investing in securities involves risk of loss that clients should be prepared to bear. Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

## **Item 9    Disciplinary Information**

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

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

Management personnel of Focus Financial Planning are separately licensed as registered representatives of INVEST Financial Corporation, an unaffiliated FINRA member broker-dealer and SEC-registered investment adviser. These individuals, in their separate capacity, can effect securities transactions for which they will receive separate, yet customary compensation.

While Focus Financial Planning and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

A member of our firm's management is separately licensed as an investment adviser representative of INVEST Financial Corporation. In that capacity, this individual provides advisory services through INVEST Financial Corporation. The advisory services delivered by INVEST Financial Corporation are distinct from those provided by our firm and are provided for separate compensation. INVEST Financial Corporation's advisory services may be recommended to our clients for whom it is appropriate. There are no referral fee arrangements between our firm and INVEST Financial Corporation. However, a conflict of interest is created by this arrangement to the extent that this individual recommends that a Focus Financial Planning client open an INVEST Financial Corporation account through which this individual will receive additional compensation. No Focus Financial Planning client is obligated to use INVEST Financial Corporation or its services. Clients choosing to implement Focus Financial Planning's recommendations through INVEST Financial Corporation's advisory services should refer to INVEST Financial Corporation's Firm Brochure or other disclosure document for details regarding that firm's services and fees.

Management personnel of our firm, in their individual capacities, are agents for an affiliated insurance agency, Focus Financial Group, Inc. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations.

The implementation of any or all recommendations is solely at the discretion of the client. Clients should be aware that the receipt of additional compensation by Focus Financial Planning and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. Focus Financial Planning endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Focus Financial Planning and our personnel owe a duty of loyalty, fairness and good faith

towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

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

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

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to **wturner@focusfg.com**, or by calling us at (248) 646-0696.

Focus Financial Planning and individuals associated with our firm are prohibited from engaging in principal transactions.

Focus Financial Planning and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our 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.

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

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

As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm are separately registered as registered representatives of a broker-dealer, investment adviser

representatives of another registered investment adviser, and/or licensed as insurance agents for an affiliated insurance agency. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

## **Item 12 Brokerage Practices**

As our firm does not have the discretionary authority to determine the broker-dealer to be used or the commission rates to be paid, clients must direct Focus Financial Planning as to the broker-dealer to be used.

Focus Financial Planning requires that clients direct us to place trades through INVEST Financial Corporation ("INVEST"). Focus Financial Planning has evaluated INVEST and believes that it will provide our clients with a blend of execution services, commission costs and professionalism that will assist our firm to meet our fiduciary obligations to clients. We reserve the right to decline acceptance of any client account for which the client directs the use of a broker other than INVEST if we believe that this choice would hinder our fiduciary duty to the client and/or our ability to service the account. In directing the use of INVEST, it should be understood that Focus Financial Planning will not have authority to negotiate commissions or to necessarily obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients (who may direct the use of another broker).

Clients should note, while Focus Financial Planning has a reasonable belief that INVEST is able to obtain best execution and competitive prices, our firm will not be independently seeking best execution price capability through other brokers. Not all advisers require clients to direct it to use a particular broker-dealer.

For clients in need of brokerage or custodial services, and depending on client circumstances and needs, we may recommend the use of INVEST Financial Corporation, provided that such recommendation is consistent with our firm's fiduciary duty to the client. Our clients must evaluate INVEST Financial Corporation before opening an account. The factors considered by Focus Financial Planning when making this recommendation is the broker's ability to provide professional services, our experience with the broker, the broker's reputation, the broker's quality of execution services and costs of such services, among other factors. Clients are not under any obligation to effect trades through any recommended broker.

### **GFWM Platform**

Focus Financial Planning assists the client in selecting the risk/return objective and Portfolio Strategists that best suit the client's objectives. The client then specifically directs the account

to be invested in accordance with the chosen asset allocation. When the client selects the asset allocation, the client further directs that the account be automatically adjusted to reflect any adjustment in the asset allocation by the selected Portfolio Strategist. This client authorization results in the purchase and sale of certain mutual funds or ETFs (or transfers between variable annuity sub-accounts) without further authorization by the client or any other party at such time as the Portfolio Strategist changes the composition of the selected model asset allocation.

The client receives confirmation of all transactions in the account and is free to terminate participation in the Platform and retain or dispose of any assets in the account at any time. Focus Financial Planning has no authority to cause any purchase or sale of securities in any client account, or change the selected model asset allocation or to direct the account to be invested in any manner other than as previously authorized by the client.

If a client selects an IMA, UMA or CMA investment solution, the third-party Discretionary Managers are granted the authority to manage the accounts on a discretionary basis, including the authority to buy, sell, select, remove and select securities and other investments for the account, and to select broker-dealers or others through which transactions will be effected.

As a matter of policy and practice, Focus Financial Planning does not generally block client trades and, therefore, we implement client transactions separately for each account. Consequently, certain client trades may be executed before others, at a different price and/or commission rate. Additionally, our clients may not receive volume discounts available to advisers who block client trades.

## **Item 13    Review of Accounts**

### **INVESTMENT SUPERVISORY SERVICES INDIVIDUAL PORTFOLIO MANAGEMENT**

**REVIEWS:** While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by James Mathias III, President and Chief Compliance Officer of Focus Financial Planning, LLC.

**REPORTS:** In addition to the quarterly statements and confirmations of transactions that clients receive from their broker-dealer, we provide reports online/on demand summarizing account performance, balances and holdings.

## **SELECTION & MONITORING SERVICE**

**REVIEWS:** These client accounts should refer to the Appendix 1, GFWM Platform Disclosure Brochure for information regarding the nature and frequency of reviews provided to client accounts in the GFWM Platform.

Focus Financial Planning will review accounts at least on a quarterly basis and Portfolio Strategists more frequently. These accounts are reviewed by James Mathias III, President and Chief Compliance Officer of Focus Financial Planning.

**REPORTS:** Investors participating in the GFWM Platform will receive periodic custodial account statements (not less frequently than quarterly) from their account Custodian.

Additionally, Focus Financial Planning provides reports online/on demand to its investment advisory clients. These reports generally contain a list of assets, investment results, and statistical data related to the client's account, and are made available via the website or delivered via mail or electronic delivery upon request. The information in these reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. We urge clients to carefully review these reports and compare the statements that they receive from their custodian to the reports that we provide.

## **FINANCIAL PLANNING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

**REPORTS:** Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

## **CONSULTING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting Services clients unless otherwise contracted for. Such reviews will be conducted by the client's account representative.

**REPORTS:** These client accounts will receive reports as contracted for at the inception of the advisory engagement.

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

It is Focus Financial Planning's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

### **OTHER COMPENSATION**

Our firm and/or our officers and representatives are eligible to receive other compensation (including marketing allowances, market & economic research and education conferences) for recommending certain third party asset managers.

While we endeavor at all times to put the interest of our clients first as part of our fiduciary duty, the possibility of receiving other compensation can create a conflict of interest, and could affect the judgment of these individuals when making recommendations.

With respect to the GFWM Platform, Focus Financial Planning may, subject to negotiation with GFWM, receive certain allowances, reimbursements or services from GFWM in connection with Focus Financial Planning's investment advisory services to its clients, as described below and in the Appendix 1 of the GFWM Platform Disclosure Brochure.

Under GFWM's Gold/Platinum Premier Consultant Program, Focus Financial Planning is entitled to receive a quarterly business development allowance for reimbursement for qualified marketing/practice management expenses incurred by the Focus Financial Planning. These amounts range from \$5,000 to \$105,000 annually, depending on the amount of Focus Financial Planning's client assets managed within the Platform.

GFWM may also bear the cost of airfare for firms such as Focus Financial Planning to attend GFWM's annual conference or to conduct due diligence visits to GFWM's offices. In addition, GFWM may, from time to time, contribute to the costs incurred by participating firms such as Focus Financial Planning in connection with conferences or other client events conducted by such firms and their representatives.

## **Item 15 Custody**

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

Focus Financial Planning does not provide custodial services to its clients. Client assets are held with banks, financial institutions or registered broker-dealers that are "qualified

custodians.” Clients will receive statements directly from the qualified custodians at least quarterly. We urge clients to carefully review those statements and compare the custodial records to the reports that we provide them. The information in our reports may vary from custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities.

## **Item 16 Investment Discretion**

Focus Financial Planning does not take any independent discretionary authority over client accounts. Focus Financial Planning does, however, offer clients participation in the GFWM Platform, an asset allocation Platform more fully described in the Appendix 1 - Platform Disclosure Brochure attached hereto. Asset allocations composed by a group of independent investment strategists (“Portfolio Strategists”) are offered under the Platform, with the different model allocations designed to satisfy a gradient of risk/return objectives. The Portfolio Strategists have no direct relationship with Focus Financial Planning or client, make no analysis of and do not consider the clients’ individual circumstances or objectives, and do not tailor the model asset allocation to any specific client’s needs, circumstances or objectives, but only to the stated risk/return objectives.

## **Item 17 Voting Client Securities**

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

***GFWM Platform clients:*** The Client retains the right to vote proxies if the Account is invested in a Mutual Fund, ETF or Variable Annuity Investment Solution. If the Account is invested in an IMA, CMA, or UMA Investment Solution, the Client designates the applicable Discretionary Manager as their agent to vote proxies on securities in the Account. Client acknowledges that as a result of this voting designation they are also designating the Discretionary Manager as their agent to receive proxies, proxy solicitation materials, annual reports provided in connection with proxy solicitations and other materials provided in connection with the above actions relating to the assets in the Account. However, the Client retains the right to vote proxies and may do so by notifying Focus Financial Planning in writing of the desire to vote future proxies.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

## **Item 18 Financial Information**

Focus Financial Planning has no additional financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

Focus Financial Planning has not been the subject of a bankruptcy petition at any time during the past ten years.