

# HOLLEN FINANCIAL PLANNING, LTD

This brochure provides information about Hollen Financial Planning, LTD's ("Advisor" or "Firm") qualifications and business practices. If you have any questions about the contents of this brochure, please contact us at (775) 827-0670 or by email at [joe@hollenfinancialplanning.com](mailto:joe@hollenfinancialplanning.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any State Securities Authority.

Additional information about Hollen Financial Planning, LTD is also available at the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) (under "investment adviser firm" and type in our Firm name).

We are a Registered Investment Adviser (RIA) Firm. Our registration as an RIA does not imply any level of skill or training. The oral and written communications we provide to you, including this brochure, are for you to evaluate us. Please use this information as factors in your decision to hire us or to continue our business relationship.

March 06, 2011

HOLLEN FINANCIAL PLANNING, LTD  
4741 CAUGHLIN PARKWAY, SUITE 3, RENO, NEVADA 89519  
[JOE@HOLLENFINANCIALPLANNING.COM](mailto:JOE@HOLLENFINANCIALPLANNING.COM)  
(775) 827-0670  
[WWW.HOLLENFINANCIALPLANNING.COM](http://WWW.HOLLENFINANCIALPLANNING.COM)

## **ITEM 2 – MATERIAL CHANGES**

This brochure, dated March 6, 2011, has been prepared by Hollen Financial Planning, LTD to meet new SEC requirements. As a new document, it is different structurally and substantively from our previous brochure. In future filings, this section will only address material changes that have been incorporated since this brochure was released.

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## **ITEM 4 – ADVISORY BUSINESS**

### **4a: Firm Description**

Hollen Financial Planning, LTD was established in March 2004 by Dr. Joseph R. Hollen, CFP®, President & Chief Compliance Officer. The firm's main office is located in Reno, Nevada.

#### **4a1: Principal Members**

- Dr. Joseph R. Hollen, CFP®, President & Chief Compliance Officer: Mr. Hollen may be contacted by email at [joe@hollenfinancialplanning.com](mailto:joe@hollenfinancialplanning.com) or by telephone at (775) 827-0670.

### **4b: Types of Advisory Services**

Hollen Financial Planning, LTD offers a wide range of investment advisory and portfolio services tailored to meet its Clients' investment objectives. The Advisor works with each Client to provide a suitable investment strategy. We request each Client grant us ongoing and continuous discretionary authority to implement the Firm's investment recommendations without the Client's prior approval of each specific transaction.

Client services include:

- Investment Strategies
- Ongoing Portfolio Monitoring
- Financial Independence
- Retirement Planning

### **4c: Client Tailored Relationships and Restrictions**

As a fiduciary, Hollen Financial Planning, LTD always acts solely in the Client's best interests. Each Client's portfolio is customized based on the Client's investment objectives. Clients may make requests or suggestions regarding the investments made in their portfolio. Restrictions on trading which, in the Advisor's expert opinion, are not in the Client's best interest cannot be honored.

### **4d: Wrap Fee Program**

The Advisor does not sponsor a wrap fee program.

#### 4e: Assets under Management (AUM)

The Advisor, as of March 6, 2011, has the following Assets under Management:

Discretionary:	\$ 56,831,522.00	Number of Accounts	162
Non-Discretionary:	\$ 0 .00	Number of Accounts	0
Total:	\$ 56,831,522.00	Number of Accounts	162

## ITEM 5 – FEES AND COMPENSATION

#### 5a: Tiered Fee Schedule

Accounts are normally managed by adviser for the benefit of the Client and as part of the overall planning process. Trading is done at the discretion of the adviser and the Client's prior specific approval for each trade is not required. Fees are based on a “top tier” schedule. “Top tier” means that the total amount of accounts in a household determines the fee which applies to the entire account. The following is a “top tiered” schedule:

Assets Under Management	Annual Fee (%)
Up to \$500,000	1.75%
\$500,001 to \$1,000,000	1.50%
\$1,000,001 to \$1,500,000	1.25%
\$1,500,001 to \$3,000,000	1.10%
\$3,000,001 to \$5,000,000	1.00%
\$5,000,001 to \$10,000,000	0.90%
\$10,000,001 and above	0.80%

The above fees may be negotiable in special circumstances.

In most cases the account advisory fee schedule provided above is the sole compensation to adviser.

However, adviser may charge separate fixed or hourly fees for special projects or for unusual circumstances. Fixed fees for special projects will be mutually determined in advance of an engagement and listed in a separate service agreement. Half the fee is due in advance, and the remaining half is due at the conclusion of the project. These fees may be deducted from Client accounts as previously described.

Hourly fees are not commonly used. The hourly rate for separate services is \$350 per hour plus actual expenses and travel time. An example would be a Client going through a divorce, where the amount of time and related expenses cannot be determined in advance. These fees may also be deducted from Client accounts as previously described, however, the Client will be sent an invoice monthly detailing the time and expenses.

Accounts are normally fully converted to cash or money market by the Client before adviser begins to manage the account. Advisor will not manage individual securities for Clients. In the event a Client does not wish to liquidate individual securities, they will be segregated from the other assets for recordkeeping responsibilities. Clients retain full responsibility for all outcomes related to holding individual securities or for any past mutual fund or similar positions which are not converted to cash.

The Client is responsible for account management (opening/closing), asset transfers and cost basis summaries for existing securities. Advisor will use best efforts to assist in the account transfer process. Delays in transfers of funds are often encountered during the setup process, almost all of which are beyond the Advisor's control. Advisor is not responsible for these delays. Advisor is not responsible for any fluctuation in the values of securities during the transfer process.

For California Residents: Subsection (j) of Rule 260.238, California Code of Regulations requires that all investment Advisors disclose to their Clients that lower fees for comparable services may be available from other sources. Pursuant to California Rule 260.235.2, if a conflict exists between the interests of the Advisor or its associated persons and the interest of the Client; the Client is under no obligation to act upon this Advisor's or associated person's recommendations. If the Client elects to act on any of the recommendations, the Client is under no obligation to effect the transaction through the Advisor or its associated person when the person is an agent with a licensed broker-dealer or through any associate or affiliate of such person.


#### **5b: Selection of Other Advisors' Fees**

Hollen Financial Planning, LTD does not select other advisors.

#### **5c: Fee Payment Options**

All fees are billed quarterly in arrears by the adviser. Fees may be deducted from the Client's accounts. No performance fees are charged.

However, adviser may charge separate fixed or hourly fees for special projects or for unusual circumstances. Fixed fees for special projects will be mutually determined in advance of an engagement and listed in a separate service agreement. Half the fee is due in advance, and the remaining half is due at the conclusion of the project. These fees may be deducted from Client accounts as previously described.



Hourly fees are not commonly used. These fees may also be deducted from Client accounts as previously described, however, the Client will be sent an invoice monthly detailing the time and expenses.

#### **5.c.1: Termination**

Either party may terminate an engagement upon written notice to the other. If terminated within five (5) days of signing the Service Agreement no penalties will be assessed and all prepaid fees will be returned promptly to the Client. Should the Client terminate the engagement after this date, the Client will be responsible for work already performed and will be invoiced.

#### **5d: Third Party Fees**

Fees paid to Advisor for planning and advisory services are completely separate from the fees and expenses charged by mutual fund companies and their portfolio managers. A complete explanation of these fees and expenses are provided in each mutual fund prospectus. Normally a mutual fund prospectus is sent to the Client by Fidelity Investments at the same time a purchase is made by adviser, and again at regular intervals from time to time. Clients are encouraged to read the prospectus and to bring it to the office to discuss with adviser, should they have any questions. A normal process with Fidelity Investments, involves a charge or “ticket fee” for purchases of non-Fidelity mutual funds. Early redemption costs from mutual funds are normally paid by the Client. Clients may also incur transaction costs or administrative fees from broker/dealers, trust companies or other service providers. Clients are encouraged to obtain a complete schedule of these fees from the service provider prior to entering into any engagement. Advisor does not receive any portion of these other fees.

### **ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a Client account.

## ITEM 7 – TYPES OF CLIENTS

We generally provide and asset management and financial planning services to the following types of Clients:

- Individuals
- High-Net-Worth Individuals
- Pension and Profit Sharing Plans
- Charitable Organizations

### *Minimum Account Size*

There is no account minimum. However, the Advisor may decline to accept Clients with smaller portfolios.

## ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

### **8a: Analysis**

The Advisor uses multiple sources of information to obtain analysis and strategies. They include sources such as financial newspapers, financial magazines, research prepared by others, corporate rating services, prospectuses, company press releases, annual reports and filings with the SEC.


### **8b: Investment Strategies**

Advisor uses structured, institutional, asset class mutual funds to create custom, personalized, diversified portfolios for each client. The portfolios are intended to meet the client's long term investing needs and goals. Asset allocation is mutually decided upon through one or more client interviews. Advisor rebalances portfolios yearly or through cash inflows or outflows or as special needs arise. Special attention is given to controlling costs and taxes.

Investing is oriented around client goals and is a lifelong process which requires certain client traits to achieve success. They are the following: a faith in the future, patience and discipline. Patience means ignoring the numerous provocations of the day. Discipline means acting in a proactive way, such as dollar cost averaging, living below one's means and saving. Advisor uses an ongoing educational and evidence based approach in working with clients.

Maintenance of purchasing power over time with the ability to pay future bills and obligations is the reward for successful clients. In contrast, excessive focus on short term market volatility can be detrimental to achieving long





term financial goals. Short term volatility is normal in our financial markets and should generally be ignored or considered an opportunity, not a setback.

Past performance is no guarantee of future results. Advisor cannot offer any guarantees or promises that the client's financial goals and objectives will be met.

### **8c: Risk of Loss**

All investments include a risk of loss. In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets we manage that may be out of our control. We use our best efforts and expertise to manage your assets. However, we cannot guarantee any level of performance or that you will not experience financial loss.

## **ITEM 9 – DISCIPLINARY INFORMATION**

We do not have any legal, financial or other “disciplinary” items to report to you. We are obligated to disclose any disciplinary event that would be material to you when evaluating our Firm and its employees.

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **10a: Broker Dealers and Registered Representatives**

We are not registered as a broker-dealer and our employees are not registered representatives of any broker-dealer.

### **10b: Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither the Firm nor its employees hold any of the above registrations.

### **10c: Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Neither the Firm nor its employees have any relationships or possible conflicts of interest as it relates to this advisory business.

### **10d: Selection of Other Advisors or Managers and How this Advisor is Compensated for those Selections**

Advisor does not select other advisors.

## **ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

Advisor follows the Code of Ethics for Certified Financial Planners. A copy of the code can be found at <http://www.cfp.net/learn/codeofethics.asp>.

## **ITEM 12 – BROKERAGE PRACTICES**

### **12a: Selecting Brokerage Firms**

Except to the extent that the Client directs otherwise, the Advisor may recommend a broker-dealer. The Client is not obligated to effect transactions through any broker-dealer recommended by Advisor. In recommending broker-dealers, Advisor will generally seek “best execution.” In recommending a broker-dealer the Advisor will comply with its fiduciary duty to obtain best execution by taking into account such relevant factors as (a) price, (b) the broker-dealer’s facilities, reliability and financial responsibility, (c) the ability of the broker-dealer to effect transactions, particularly with regard to such aspects as timing, order size and execution of order, (d) the research and related brokerage services provided by such broker or dealer to the Advisor, notwithstanding that the account may not be the direct or exclusive beneficiary of such services and (e) any other factors the Advisor considers to be relevant.

Recommending a broker-dealer may create a conflict of interest. Accordingly Advisor has established the following restrictions in order to ensure its fiduciary responsibilities:

1. A director, officer, associated person, or employee of Advisor shall not buy or sell securities for her/his personal portfolio where her/his decision is substantially derived, in whole or in part, by reason of her/his employment unless the information is also available to the investing public or reasonable inquiry. No person of Advisor shall prefer her/his or her own interest to that of the advisory Client.
2. Advisor maintains a list of all securities holdings for itself and anyone associated with its advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer of Advisor.
3. If Advisor receives separate compensation for effecting transactions on the Client’s behalf such compensation arrangements will be fully disclosed to Client.
4. Advisor emphasizes the unrestricted right of the Client to select and choose their own broker or dealer.
5. Advisor requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.

6. Any individual not in observance of the above may be subject to termination.

## **ITEM 13 – REVIEW OF ACCOUNTS**

### **13a: Periodic Reviews**

Accounts are reviewed by Dr. Joseph R. Hollen, CFP® or qualified staff members. All reviews are either conducted or supervised by Dr. Joseph R. Hollen, CFP®. The frequency of reviews is determined based on the Client's investment objectives, but no less than quarterly.

Financial planning Clients receive their financial plans and recommendations at time service is completed. Depending on the type of financial planning service requested, Advisor will meet on a regular basis with Clients to discuss any potential changes to their financial plan.

### **13b: Review Triggers**

More frequent reviews are triggered by a change in Client's investment objectives; tax considerations; large deposits or withdrawals; large sales or purchases; loss of confidence in corporate management; or, changes in economic climate.

### **13c: Regular Reports**

All investment advisory Clients receive reports no less than annually detailing investments under Advisor management. Investment advisory Clients also receive standard account statements from the custodian of their accounts on a monthly basis. Financial planning Clients do not normally receive investment reports.

## **ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION**

### **14a: Economic Benefits Provided by Third Parties for Advice Rendered to Clients**

Advisor may execute transactions with broker-dealers that provide research, seminars and execution services. Advisor may pay broker-dealer commissions for agency transactions that are in excess of the amount of commissions charged by other broker-dealers in recognition of their research, seminar and execution services.

### **14b: Compensation to Non-Advisory Personnel for Client Referrals**

Advisor does not directly or indirectly compensate any person for Client referrals.

## **ITEM 15 – CUSTODY**

Clients' accounts are held by a qualified custodian. Advisor does not have custody of the assets in the account and shall have no liability to the Client for any loss or other harm to any property in the account, including any harm to any property in the account resulting from the insolvency of the custodian or any acts of the agents or employees of the custodian and whether or not the full amount or such loss is covered by the Securities Investor Protection Corporation ("SIPC") or any other insurance which may be carried by the custodian. The Client understands that SIPC provides only limited protection for the loss of property held by a broker-dealer.

## **ITEM 16 – INVESTMENT DISCRETION**

The Client grants Advisor ongoing and continuous discretionary authority to implement the investment recommendations without the Client's prior approval of each specific transaction.

## **ITEM 17 – VOTING CLIENT SECURITIES (I.E., PROXY VOTING)**

Unless specifically directed otherwise in writing by the Client and agreed to by Advisor, Advisor does not vote proxies on behalf of the Client.

## **ITEM 18 – FINANCIAL INFORMATION**

### **18a: Financial Condition**

The Firm has no financial issues that could impair our ability to carry out our fiduciary duty to our Clients. Advisor has not been the subject of a bankruptcy petition in the last ten (10) years.

The Advisor does not require prepayment of more than \$500.00 in fees from Clients more than six (6) months in advance of services.

## **ITEM 19 – REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

Hollen Financial Planning, LTD is registered with the SEC and only notice files with state regulators.