

Part 2A of Form ADV: *Firm Brochure*

Planned Solutions Financial and Insurance Services, Inc.

1130 Iron Point Road, Suite 170
Folsom, CA 95630

Telephone: 916-361-0100
Email: kdunnam@plannedsolutions.com
Web Address: www.plannedsolutions.com

7/19/2012

This brochure provides information about the qualifications and business practices of Planned Solutions, Inc.. If you have any questions about the contents of this brochure, please contact us at 916-361-0100 or kdunnam@plannedsolutions.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.

Planned Solutions, Inc. is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about Planned Solutions, Inc. also is available on the SEC's website at 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 105052.

Item 2 Material Changes

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 (December 31). Furthermore, we will provide you with other interim disclosures about material changes as necessary.

Copies of our Brochure may be requested by contacting our office at (916) 361-0100 or emailing kdunnam@plannedsolutions.com. Our Brochure will also be available on our website at www.plannedsolutions.com.

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Item 4 Advisory Business

Planned Solutions Financial and Insurance Services, Inc. (DBA "Planned Solutions, Inc.") is a SEC-registered investment adviser with its principal place of business located in California. Planned Solutions, Inc. began conducting business as a registered investment adviser in 1988.

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

Roger T Smith, CFP® - President and CEO

Planned Solutions, Inc. ("PSI") offers the following advisory services to our clients:

MODEL PORTFOLIO MANAGEMENT - Discretionary Asset Management

Our firm provides portfolio management services to clients, primarily using model asset allocation portfolios. Each model portfolio is designed to meet a particular investment goal.

We ask client's to provide detailed financial information and other pertinent data in order to help us work with them in determining their risk tolerance, time horizons, liquidity needs, investment goals, tax situation, financial status and other relevant investment guidelines. Through these personal discussions, in which the client's goals and objectives are established, we determine which model portfolio is suitable to the client's circumstances. Once we determine the suitability of the portfolio, the portfolio is continuously managed based on the portfolio's goal, rather than on each client's individual needs. As a discretionary account, we will direct the investments and reinvestment of the assets in the client's account. Clients, nevertheless, will have the opportunity to place reasonable restrictions on the types of investments to be held in their account and the account supervision will be guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, growth and income, or income). The client retains individual ownership of all securities.

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
- Exchange Traded Securities (ETFs)
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- Master Limited Partnerships (MLPs)

- Real Estate Investment Trusts (REITs)
- United States governmental securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests

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, as reflected in the model portfolio assigned to the client's account.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will:

- at least annually, contact each managed client (either in person or by phone or mail) to determine whether there have been any changes in their financial situation or investment objectives, and whether they wish to impose investment restrictions or modify existing restrictions;
- be reasonably available to consult with the client; and
- maintain client suitability information on file.

THIRD PARTY MONEY MANAGERS

PSI may refer clients to third party money managers. We will only refer a client to a third party money manager if the manager is registered or is exempt from registration (because of SEC registration rules) in the client's state of residence. The advisory services provided by a third party money manager may include asset management, portfolio management and/or market timing. We may suggest a recommended money manager based on the client's needs and will include the account in the client account review meetings.

FINANCIAL PLANNING

We offer financial planning services which can be comprehensive in nature, or focus on a specific topic or concern such as: retirement planning, tax planning, insurance planning, estate planning, educational funding, cash flow planning, retirement plan allocations and investments.

Through meetings with the client, we will gather information and documentation as necessary to help the client define the goals and objectives that will be defined in the financial planning contract. Information gathered may include the client's current financial status, tax status, future goals, return objectives and attitudes towards risk. We carefully review documents provided to us and will develop a draft plan which will be reviewed and revised as necessary with the client.

A final written financial plan will be presented by the end of the engagement. This may include a retirement model, portfolio analysis, insurance projection or other recommendation as based on the financial planning contract.

Should the client choose to implement the recommendations contained in the plan, we suggest

they work closely with their attorney, accountant, and/or other advisors as necessary. Implementation of the financial plan recommendations are entirely at the client's discretion. Financial planning recommendations are client specific and are not limited to any product or service offered by a broker-dealer or insurance company.

AMOUNT OF MANAGED ASSETS

As of 01/31/2012, we were actively managing \$142,802,925 million of clients' assets on a discretionary basis.

Item 5 Fees and Compensation

MODEL PORTFOLIO MANAGEMENT FEES - Discretionary

The annualized fee for Model Portfolio Management Services will be charged as a percentage of assets under management, according to the following schedule:

Account Fair Market Value	Asset Management Annual % Rate
\$0 - \$100,000	1.50%
\$100,001 - \$250,000	1.25%
\$250,001 - \$500,000	1.00%
\$500,001 - \$1,000,000	0.80%
\$1,000,001 - \$2,500,000	0.65%
Above \$2,500,000	Negotiable

PSI will manage client assets for an annual fee based on a percentage of assets under management, (suggested minimum account size is \$100,000). The fee will be paid quarterly, in advance, based on the fair market value of the account on the last trading day of the preceding calendar quarter.

Fees will be debited directly from the client's account if so authorized by the client in the Asset Management Agreement. If fees are not debited from the account, the client will be billed directly.

PSI may group certain related client accounts for the purposes of determining the annualized fee.

Limited Negotiability of Advisory Fees: Although PSI has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client's accounts, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, number of account review meetings, among other factors. The specific fee schedule is part of the contract between the adviser and each client.

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

FINANCIAL PLANNING FEES

PSI's financial planning fee is 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 may be billed on a flat fee basis or calculated on an hourly basis, ranging from \$100 to \$250 per hour. The length of time it will take to provide a Financial Plan will depend on each client's personal situation; we will provide an estimate for the total hours at the start of the advisory relationship.

Financial Planning Fee Offset: PSI reserves the discretion to reduce or waive the hourly fee and/or the flat fee if a financial planning client chooses to engage PSI for our Portfolio Management Services.

The client is billed in two installments with one-half due when agreement is entered into and the final installment is due when the Financial Planning project is completed.

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 prorate the reimbursement according to the number of days remaining in the billing period.

Commissions: Roger Smith is a registered representative and is also a licensed insurance agent. As such, he is able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. This could present a potential conflict of interest, since he could receive both fees and commissions if the client chose to implement recommendations in the capacity of a registered representative or insurance agent. Clients, however, are not under any obligation to engage Roger Smith when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client. PSI does not include assets in which a commission is received when calculating portfolio management fees on the client's account. If such an asset is included the management fee, the fee will be reduced by the commission received.

Mutual Fund Fees: All fees paid to PSI for asset management 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 asset management services provided by our firm which are designed, among other things, to assist the client in determining which 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 asset management 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 Brochure for additional information.

ERISA Accounts: PSI is deemed to be a fiduciary to clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. 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, PSI may only bill asset management fees on managed investments for which we do not receive any commissions or 12b-1 fees (an annual marketing or distribution fee on a mutual fund). If PSI receives commissions or 12b-1 fees on managed investments, they must be used to offset PSI's asset management 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 for services rendered more than six months in advance.

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

PSI does not charge performance-based fees (fees based on a share of capital gains or capital appreciation of the assets in a clients account).

Item 7 Types of Clients

PSI provides asset management services to the following types of clients: individuals, high net worth individuals, trusts, estates or charitable organizations, pension and profit sharing plans and corporations or other business entities.

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

PSI's investment philosophy consists of a four part process that is designed to combine our investment research, analysis, and opinions with the client's risk constraints, return objectives, and other needs and circumstances.

1. **Asset Allocation:** The first step of every investment engagement is to determine the target asset allocation for the client's account(s). This is a two step process consisting of a strategic asset allocation process and a tactical asset allocation process.

- The strategic asset allocation process involves matching the client's return objectives, risk tolerance, time horizon, and other material factors with a target stock/bond portfolio that is projected to meet the client's objectives within their constraints. The portfolio is selected from our prescreened set of asset allocation models, developed to meet specific risk/return criteria, based on Modern Portfolio Theory (attempting to maximize return at the given level of risk).
- The tactical asset allocation process involves making long-term (5-10 years), intermediate term (1-5 years), and short-term (1 year or shorter) asset allocation changes in the portfolio models that deviate from the strategic asset allocation in some material way. The allowance for tactical allocation changes is intended to give the portfolio the flexibility to adapt to changing economic and market conditions.

A risk of asset allocation is that the actual investment return and risk may deviate from expectations so that the portfolio falls short of the projected outcome. A risk of strategic asset allocation is that the client's return objectives and risk tolerance may change with life events, market fluctuations, or other factors, creating a mismatch between the client's objectives and the portfolio's targeted risk and return characteristics. A risk of tactical asset allocation is that the investment manager's forecasts for economic and market trends may be incorrect, leading to poor performance relative to the designated strategic asset allocation benchmark.

2. **Setting Capital Markets Expectations:** We utilize a top-down research process comprised of three steps: economic research, capital market valuation, and technical analysis.
 - Economic research consists of monthly and quarterly analysis of the most recent economic data and periodic research projects in an effort to forecast structural (long-term) and cyclical (intermediate term) global and national economic trends. These forecasts are then used to guide the tactical asset allocation process.
 - Capital market valuation is the process of attempting to determine the intrinsic value of an asset class or individual asset. Intrinsic value is the value that reflects the readily available facts and circumstances at the time, which may differ from the market price. We use a variety of fundamental analysis techniques in an attempt to calculate the intrinsic value of three primary asset classes: equity, fixed income, and alternatives, as well as their sub-classes. These techniques include traditional quantitative valuation* (*see definition below*) and econometric models* (*see definition below*) .
 - Technical analysis refers to an investment discipline that uses price charts in an attempt to identify market trends. We utilize a variety of techniques to identify and analyze price patterns, monitor moving averages and relative strength indicators, and regression to the mean based on historical earnings and yield spreads.

There are many risks to capital market analysis. These include, but are not limited to, constantly changing economic and market data which can make accurate forecasting difficult; the biases inherent in economic, fundamental, and technical models can lead to forecasting errors; and lags in the availability of economic, fundamental, and technical data that can lead to valuations and forecasts that are not an accurate reflection of the current economic and market conditions.

3. **Securities Selection:** The implementation of the PSI investment philosophy involves the selection of investment vehicles which conform to the opportunities and constraints identified in the asset allocation and capital market expectation setting processes. We primarily analyze mutual funds, exchange traded funds (ETFs), and master limited partnerships (MLPs) when implementing our investment philosophy. This analysis includes a review of quantitative factors such as expenses, manager experience and reputation, track record and portfolio holdings as well as qualitative analysis based on regular contact with investment company representatives, and other considerations such as the size and scope of the investment, tax efficiency, and liquidity.

The risk of securities analysis is that, as in all investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, investment holdings may change, causing the investment to deviate from its initial risk and return characteristics. Qualitative analysis is based on subjective judgment which may prove incorrect. Our securities analysis methods rely on the assumption that the companies whose securities we buy 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.

4. **Monitoring and Review:** PSI conducts extensive reviews of historical and forecasted risk and return performance characteristics of its portfolios. These reviews take two primary forms: internal reviews and client reviews.
 - The internal review process involves the periodic monitoring of portfolio performance using a modern portfolio theory framework, which incorporates both risk and return statistics. In addition, attribution analysis* (*see definition below*) is conducted at least once per year in an attempt to determine the source of investment returns within the portfolio; this information may be used to make tactical changes to the portfolio composition when warranted. We monitor the actual portfolio allocation periodically in order to quantify its deviation from the target allocations. Rebalancing is employed to manage this risk at the discretion of the Planned Solutions Investment Committee.
 - We conduct periodic portfolio reviews with our clients in an attempt to monitor changes in their needs and circumstances, which may warrant a review of the strategic asset allocation assigned to their account.

The risks of the monitoring and review process are that portfolio risk and return attribution may be misinterpreted and lead to incorrect conclusions. The timing of a discretionary rebalancing strategy is subjective and may detract from portfolio returns by generating additional trading costs if done too frequently or allowing the portfolio allocation to deviate too greatly from the target allocation if not done often enough. The timing of rebalancing transactions may have a large impact on portfolio returns based on changes in the market. The client review process relies on the client to disclose changes in their needs and circumstances on a timely basis in a clear and concise manner.

Investing involves risk of loss that the client should be prepared to bear.

Definitions

Quantitative valuation analysis: The process of determining the value of a security by examining its numerical, measurable characteristics such as revenues, earnings, margins and market shares.

Econometric Modeling: Is a forecasting technique that uses computer processed mathematical equations (that are based on historical data and certain assumptions) to predict economic conditions. These models are commonly used in determining the economic aspects of changes in government policies, regulatory conditions, interest rates, demographic changes, tax laws, wage levels, etc.

Attribution analysis: Uncovers the impact of the manager's investment decisions with regard to overall investment policy, asset allocation, security selection and activity. A fund or portfolio's returns are compared to a benchmark in order to determine whether a manager is actually skilled or just fortunate.

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 or management personnel have no additional legal, civil, criminal, regulatory or disciplinary history to be reported at this time.

Item 10 Other Financial Industry Activities and Affiliations

PSI may provide tax advice and income tax preparation in accordance with the rules of the appropriate regulatory body. Fees for preparing a tax return will generally range from \$50 to \$750 depending on the complexity of the client's situation. Tax preparation fees may be included as part of an existing financial planning agreement. Fees for services rendered are due after the consultations are completed.

Roger Smith is a registered representative and is also a licensed insurance agent. As such, he is able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. This could present a potential conflict of interest, since he could receive both fees and commissions if the client chose to implement recommendations in the capacity of a registered representative or insurance agent. Clients, however, are not under any obligation to engage Roger Smith 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 PSI 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. PSI 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 known 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 or insurance 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;
- we conduct periodic 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 business or employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside business or 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

Code of Ethics

PSI has adopted a Code of Ethics (the Code) which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. We owe a duty of loyalty, fairness and good faith toward our clients, and have an obligation to adhere not only to the specific provisions of the Code but to the general principles that guide the Code.

The Code includes provisions relating to the confidentiality of client information, a prohibition on insider trading, personal securities trading procedures and restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, among other things.

The Code will be reviewed no less than annually. All employees of PSI will be required to attest to their understanding of the Code and agree to comply with the Code on an annual basis and with any revision that might occur during the year.

Participation or Interest in Client Transactions and Personal Trading

PSI and our employees may buy or sell, for their personal accounts, securities identical to or different from those recommended to our clients. In addition, they may also have an interest or position in a certain security which may also be recommended to a client. PSI may aggregate our employee trades with client transactions where possible. In these instances, participating clients will receive an average share price. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts may be included in the pro-rata allocation.

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.

As these situations represent actual or potential conflicts of interest to our clients, we have established procedures for implementing our firm's Code and to ensure our firm complies with its regulatory obligations. In addition, the Code includes policies and procedures for review of all personnel's quarterly securities transactions as well as initial and annual securities holdings reports. The Code provides for oversight, enforcement and recordkeeping provisions.

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 kdunnam@plannedsolutions.com, or by calling us at 916-361-0100.

Item 12 Brokerage Practices

For discretionary clients, PSI has the discretionary authority to determine the broker dealer to be used and the commission rates to be paid. We place trades through Securities Service

Network, Inc. ("SSN"). We have evaluated SSN and believe that they provide our client's with a blend of execution services, commission costs and professionalism that will assist us in meeting our fiduciary obligation to our clients.

For non-discretionary clients, PSI does not have the discretionary authority to determine the broker dealer to be used. We request that the client directs us to place trades through SSN.

PSI reserves the right to decline acceptance of any client account for which the client directs the use of a broker dealer other than SSN if we believe that this choice would hinder our fiduciary duty to the client and/or our ability to service their account. The Client should note that while we have a reasonable belief that SSN is able to obtain best execution and competitive prices, we will not be independently seeking best execution price capability through other broker dealers.

It is our preference that accounts be custodied (maintained) at National Financial Services, LLC ("NFS"). However, due to cost constraints or specific client requirements, we may also manage client assets custodied at mutual fund companies, trust companies or insurance companies.

Financial planning clients are free to select any broker dealer they wish and are so informed. If they wish to have PSI implement the advice in our capacity as a registered representative PSI's broker dealer SSN will be recommended for use. SSN has a wide range of approved investment products for which SSN performs due diligence. Commissions charged for these products may be higher or lower than commissions you may be able to obtain if transactions were implemented through another broker dealer.

PSI does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.

Item 13 Review of Accounts

MODEL PORTFOLIO MANAGEMENT SERVICE - Discretionary Asset Management

REVIEWS: While the underlying securities are continually monitored, these individual accounts are reviewed at least quarterly. Accounts are reviewed in the context of the investment objectives and guidelines of each model portfolio as well as any investment restrictions provided by the client. 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 the investment advisor(s): Roger Smith, Chase Armer and/or Scott McIntyre.

REPORTS: In addition to the monthly statement (or at a minimum quarterly statement) and confirmations of transactions that clients receive from their broker dealer, we provide a quarterly report summarizing account performance, balances and holdings.

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.

Item 14 Client Referrals and Other Compensation

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

It is also our policy not to accept or allow our personnel to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm may directly debit advisory fees from client accounts, based on the Asset Management Agreement entered into with PSI.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact PSI directly if they believe that there may be an error in their custodial statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our managed clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to their custodial statements to ensure that all account transactions, holdings and values are correct and current.

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

Item 16 Investment Discretion

Clients may hire PSI to provide discretionary investment advisory services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell;
- determine the amount of the security to buy or sell; and or
- determine the timing of when to buy or sell.

Clients give PSI discretionary authority when they sign a discretionary asset management agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

As a matter of firm policy and practice, PSI does not have the authority to vote proxies on behalf of our clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in their portfolios. We may provide advice to clients regarding their voting of proxies.

Item 18 Financial Information

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.

As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. PSI has no additional financial circumstances to report.

Part 2B of Form ADV: *Brochure Supplement*
Item 1 Cover Page

Roger T. Smith
Chase W. Armer
Scott F. McIntyre

Planned Solutions, Inc.
1130 Iron Point Road, Suite 170
Folsom, CA 95630

Telephone: 916-361-0100
Web Address: www.plannedsolutions.com

04/26/2012

This brochure supplement provides information about the representatives of Planned Solutions, Inc. and is a supplement to Part 2A of Form ADV: *Firm Brochure* document. You should have received a copy of the *Firm Brochure*. Please contact Planned Solutions, Inc. if you did not receive a copy of the *Firm Brochure* or if you have any questions about the contents of this *Brochure Supplement*.

Additional information about the firm and its representatives is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Educational Background and Business Experience

Roger T Smith CFP®, CPWA®, President, Chief Compliance Office

Born: 1953

Education: California State University, Sacramento, BA Criminal Justice, 1977

Business Experience:

- Planned Solutions, Inc. (11/1982 – Present): President and Investment Advisor Representative, providing investment advisory services
- Securities Service Network, Inc. (05/2002 – Present): Registered Representative managing client accounts
- Smith, Robertson & Johnson Insurance Services, Inc. (09/1984 – Present): President and insurance agent, providing advice and selling insurance products (variable annuities; life, disability, long term care insurance)
- Securities America, Inc. (11/1992 – 5/2002): Registered Representative

Licenses/Professional Designations:

- **Certified Financial Planner® (CFP®)**

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

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

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

- **Certified Private Wealth Advisor® (CPWA®)**

The CPWA designation signifies that an individual has met initial and on-going experience, ethical, education, and examination requirements for the professional designation, which is centered on private wealth management topics and strategies for high-net-worth clients. Prerequisites for the CPWA designation are: a Bachelor's degree from an accredited college or university or one of the following designations or licenses: CIMA®, CIMC®, CFA®, CFP®, ChFC®, or CPA license; have an acceptable regulatory history as evidenced by FINRA Form U-4 or other regulatory requirements and five years of professional client-centered experience in financial services or a related industry. CPWA designees have completed a rigorous educational process that includes self-study requirements, an in-class education component, and successful completion of a comprehensive examination. CPWA designees are required to adhere to IMCA's *Code of Professional Responsibility and Rules and Guidelines for Use of the Marks*. CPWA designees must report 40 hours of continuing education

- credits, including two ethics hours, every two years to maintain the certification. The designation is administered through Investment Management Consultants Association (IMCA).

- **Investment Adviser Certified Compliance Professional (IACCPSM)**

The IACCPSM designation is offered by National Regulatory Services, Inc. (NRS) and signifies that an individual has met initial and on-going experience, ethical, education, and examination requirements to obtain the professional designation, which is centered on federal and state compliance regulations for the Investment Adviser. To obtain the IACCPSM designation twenty 2-hour courses must be completed with an 18 month period, made up of 12 required compliance courses and 8 elective courses, in addition to two years of work experience and passing of the certification exam. Designees must complete 10 hours of continuing education and 2 hours of ethics courses on an annual basis to maintain the designation.

- **Certified in Long Term Care (CLTC)**

The "Certified in Long-Term Care" (CLTC) program is the long-term care insurance industry's only independent professional designation. Created in 1999, the course is focused on the field of long-term care planning and provides legal, accounting, insurance and financial service professionals the critical tools necessary to address the subject matter with their middle-age clients. The goal is to teach students how to create a plan that preserves the emotional, physical, and financial wellbeing of a client's family should care be necessary. Once established, options to fund that plan, including, Medicare, Medicaid, the Veterans Administration, self-funding and long-term care insurance, are reviewed and recommended where appropriate.

The CLTC designation which is owned by the CLTC Board of Standards, Inc. is not affiliated with or funded by any insurance sales or marketing organization. The quality of the program is evidenced by the granting of continuing education credits by all states as well as established programs such as the Certified Financial Planner (CFP®) and Chartered Life Underwriter (CLU®) designations. It has also been approved in those states that have set strict criteria for professional designations.

The program is presented in either a two-day class or the online CLTC eLearning course. Successful passing of a proctored exam is required in order to qualify for certification. Graduates are also required to take continuing education to maintain their certification.

Item 3 Disciplinary Information

Roger Smith does not have any legal, civil, criminal or disciplinary history to be reported at this time.

Item 4 Other Business Activities

Roger Smith is separately licensed as a registered representative with Securities Service Network, Inc. a FINRA registered broker-dealer. He is also an insurance agent of Smith, Robertson & Johnson Insurance Services, Inc. and meets with clients in need of life insurance, variable annuities and long term care insurance. As such, he is able to receive separate, yet customary commission compensation resulting from implementing product transaction on behalf of advisory clients. This could present a potential conflict of interest, since he could receive both fees and commissions if the client chose to implement recommendations in the capacity of a registered representative or insurance agent. The implementation of any or all recommendations is solely at the discretion of the client.

Item 5 Additional Compensation

Roger Smith may receive benefit in the form of commission compensation for insurance purchase and sales for advisory clients.

Item 6 Supervision

Roger Smith is the Chief Compliance Officer of Planned Solutions, Inc.; therefore, he is responsible for his own supervision and that of all other investment adviser representatives of Planned Solutions, Inc. This supervision extends to reviewing their business practices, trading and ensuring the firm is adhering to applicable laws, regulations and firm policies. He can be reached at 916-361-0100.

Item 2 Educational Background and Business Experience

Chase Armer CFP®, EA

Born: 1978

Education: California State University, Sacramento, BA in Economics 2002
University of California, Davis Ext, Personal Financial Planning Certificate 2003
William H. Taft University, MS in Taxation 2008

Business Experience:

- Planned Solutions, Inc. (06/2002 – Present): Investment Advisor Representative
- Securities Service Network, Inc. (05/2002 – Present): Licensed Assistant
- Securities America, Inc. (04/2001 – 5/2002): Registered Representative

Licenses/Professional Designations:

- **Certified Financial Planner® (CFP®):**

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

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

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

- **Certified Financial Analyst® (CFA®):**

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

There are currently more than 90,000 CFA charterholders working in 134 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

High Ethical Standards

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

Global Recognition

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charterholders—often making the charter a prerequisite for employment.

Additionally, regulatory bodies in 22 countries and territories recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

Comprehensive and Current Knowledge

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession. To learn more about the CFA charter, visit www.cfainstitute.org.

- **Enrolled Agent:**

An enrolled agent is a person who has earned the privilege of practicing, that is, representing taxpayers, before the Internal Revenue Service. Enrolled agents, like attorneys and certified public accountants (CPAs), are unrestricted as to which taxpayers they can represent, what types of tax matters they can handle, and which IRS offices they can practice before.

To become an enrolled agent the individual must demonstrate special competence in tax matters by taking a Special Enrollment Examination, achieve passing scores on all parts of the examination, apply for enrollment and pass a background check to ensure that they have not engaged in any conduct that would justify the suspension or disbarment of an attorney, CPA, or enrolled agent from practice before the IRS.

- **Accredited Asset Management Specialist (AAMS®):**

A professional designation awarded by the College for Financial Planning to financial professionals who successfully complete a self-study program, pass an exam and agree to comply with a code of ethics. Every two years, AAMS® professionals must complete 16 hours of continuing education. The AAMS program is developed in conjunction with some of the nation's top investment firms. Applicants study case studies based on real-life scenarios designed to prepare them to be effective in the real world and build lasting relationships with clients. The self-study program covers the asset management process; investors, policy and change; risk, return and investment performance; asset allocation and selection; investment strategies; taxation of investment products; investment opportunities for individual retirement; investment considerations for small business owners; executive compensation and benefit plans; insurance products for investment clients; estate planning; and regulatory and ethical issues. Individuals with the AAMS designation may work as financial advisors, registered investment advisors, registered representatives, client relationship managers, financial consultants or investment advisors.

Item 3 Disciplinary Information

Chase Armer does not have any legal, civil, criminal, regulatory or disciplinary history to be reported at this time.

Item 4 Other Business Activities

Chase Armer is separately licensed as a registered assistant with Securities Service Network, Inc. a FINRA registered broker-dealer.

Item 5 Additional Compensation

Chase Armer does not receive any additional compensation.

Item 6 Supervision

Roger Smith is responsible for supervision of the firm and that of all other investment adviser representatives of Planned Solutions, Inc. This supervision extends to reviewing their business practices, trading and ensuring the firm is adhering to applicable laws, regulations and firm policies. He can be reached at 916-361-0100.

Item 2 Educational Background and Business Experience

Scott McIntyre, Investment Advisor Representative

Born: 1958

Education: Stanford University, AB in Communications 1980

Business Experience:

- Planned Solutions, Inc. (10/2008 – Present): Investment Advisor Representative
- Securities Service Network, Inc. (01/2009 – Present): Licensed Assistant
- WM Funds Distributor a subsidiary of Washington Mutual (2003 – 2007) acquired by Principal Funds 2006: Senior Vice President and Director of Marketing
- American Funds Distributor (2001 – 2003): Senior Vice President for American Funds Distributor
- Capital Research and Management Company (1993 – 2001): Senior Vice President and Co-Director of Communications
- The Putnam Management Company (1983 – 1989): Assistant Vice President of Shareholder Publications

Item 3 Disciplinary Information

Scott McIntyre does not have any legal, civil, criminal, regulatory or disciplinary history to be reported at this time.

Item 4 Other Business Activities

Scott McIntyre is separately licensed as a registered assistant with Securities Service Network, Inc. a FINRA registered broker-dealer.

Item 5 Additional Compensation

Scott McIntyre does not receive any additional compensation.

Item 6 Supervision

Roger Smith is responsible for supervision of the firm and that of all other investment adviser representatives of Planned Solutions, Inc. This supervision extends to reviewing their business practices, trading and ensuring the firm is adhering to applicable laws, regulations and firm policies. He can be reached at 916-361-0100.