

INTEGRATED FINANCIAL PLANNING

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This brochure provides information about the qualifications and business practices of Integrated Financial Planning. If you have any questions about the contents of this brochure, please contact us at 269-375-9727. 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 Integrated Financial Planning is also available on the SEC's website at www.advisorinfo.sec.gov.

MATERIAL CHANGES SUMMARY

Assets under management were updated to about \$71,367,000.00 as of December 31, 2011.

ADV PART 2A

2.	MATERIAL CHANGES	2
1.	TABLE OF CONTENTS	3
2.	ADVISORY BUSINESS	4
3.	FEES AND COMPENSATION	4
4.	PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	6
5.	TYPES OF CLIENTS	6
6.	METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS	6
7.	DISCIPLINARY INFORMATION	6
8.	OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	6
9.	CODE OF ETHICS	7
10.	BROKERAGE PRACTICES	7
11.	REVIEW OF ACCOUNTS	7
12.	CLIENT REFERRAL AND OTHER COMPENSATION	8
13.	CUSTODY	8
14.	INVESTMENT DISCRETION	8
15.	VOTING CLIENT SECURITIES	8
16.	FINANCIAL INFORMATION	8
17.	REQUIREMENTS FOR STATE-REGISTERED ADVISERS	9

ADVISORY BUSINESS

Integrated Financial Planning (IFP) has been solely owned and operated by Ahmad D. Issa since its inception in 1986. We offer financial planning advice and asset management services for flat fees. Each new client receives a financial plan that covers at least six basic areas: liquidity needs, insurance planning, investment strategy, tax planning, retirement planning and estate planning.

We have an unwavering commitment to serve you. This commitment includes open communication, transparency, and prompt response to your inquiries.

When you first seek our service, you will go through the following stages:

An initial interview: The purpose of the interview is to get an understanding of your background, family status, level of education, employment, life style, general health, current financial position, risk tolerance, time horizon, bequest goals and, of course, your hopes and dreams.

A Financial Plan: We use the qualitative and quantitative data collected during our initial interview to:

- Determine the size of your assets, your debt, and your net worth.
- Construct a spending plan which compares your monthly income and your monthly expenses.
- Design a financial plan which spells out recommendations that help you achieve your lifetime goals

Second Interview: At this interview, we submit our financial plan and thoroughly explain our recommendations to you. Among other things, we help you design a long-term global investment strategy. This strategy is unique to you. It is based on your needs, your goals, and your willingness and ability to take risk (risk profile).

At the end of this interview, we submit our invoice for the financial plan. We then offer you two choices:

1. Self implement the plan, or
2. Engage us to implement it for you.

Opting for 1 ends our relationship. Selecting 2 continues it.

Plan Implementation: Should you decide to retain our services, we will provide you with two copies of our *Advisory Investment Agreement* to read, sign, date and return to us. A signed agreement grants us the authority and discretionary power to implement your financial plan.

We will design a long-term global asset allocation strategy to diversify your investments among several no load, low-cost, low-turnover, index funds that reflect different asset sizes, investment styles, sectors and regions. We may at times invest in actively managed funds with excellent track records. The idea behind this strategy is to protect you from various types of risk: liquidity risk, market risk, credit risk, inflation risk, interest rate risk, longevity risk and, its opposite, frugality risk.

Once we agree on a long-term global investment strategy tailored specifically for you, we will manage your portfolio on a discretionary basis subject to any constraints you may impose on us. We will adjust your strategy periodically as your situation changes. While we will adhere to this strategy as a general

rule, we may also make tactical changes in your portfolio to cope with extreme market volatility and a very uncertain economic climate.

For the purpose of valuing your portfolio, we use information provided by our custodians as our main pricing source.

Our total assets under management as of December 31, 2011 were about 71.367 million dollars.

FEES AND COMPENSATION

Our compensation comes from two sources only:

1. Financial plan preparation fees:

We charge you \$100/hour, not to exceed \$1,500.

2. Advisory management fees.

We charge you a flat dollar amount. The level of your fee depends on the size and complexity of your investment portfolio.

Your fee:

- Is negotiable and subject to periodic reviews.
- Is charged quarterly in arrears (January, April, July, and October)
- Is calculated by simply dividing your annual fee by four.
- Is relatively low as shown in Table 1.

ANNUAL FLAT FEE STRUCTURE AS OF DECEMBER 31, 2010

<u>ASSETS UNDER MANAGEMENT</u>	<u>FEE RANGE</u>
UNDER 250,000	500 - 750
250,000 - 749,999	750 - 1,500
750,000 - 1,249,999	1,500 - 2,500
1,250,000 - 1,749,999	2,500 - 3,000
1,750,000 - 2,999,999	3,000 - 4,000
3,000,000 - 5,999,999	4,000 - 5,000
6,000,000 - 10,000,000	5,000 - 10,000
OVER 10,000,000	10,000 - 20,000

If you decide to end our relationship prior to the end of the quarter, your fees will be pro-rated. We do not charge a termination fee. A final invoice will be prepared based on the number of days during the quarter that your account was under our management.

In addition to our advisor management fee, you may incur additional fund and transaction fees. Transaction fees are trading fees that may be charged by our custodians.

We mail your quarterly invoice along with your quarterly statements at the end of each quarter. We deduct your advisory fee seven days later.

Since we do not sell you commission products and invest only in pure no-load funds, we do not believe we have a conflict of interest with you. We neither accept nor receive compensation for security trading from our custodians. However, we receive certain services from Fidelity Investments and TIAA-CREF. Most of these services are deemed brokerage and research services. They help us in the execution of trades and in our back-office operations.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

We do not invest any portion of your assets in hedge funds or other pooled investment vehicles. As such, we avoid any conflict of interest that may result from accepting fees based on the capital appreciation generated by such investment vehicles.

TYPES OF CLIENTS

We provide services to individuals and small businesses. We accept new clients who have a minimum of \$250,000.00 to invest. This requirement is subject to exceptions on a case-by-case basis.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

We use the so-called “Fundamental Approach” to security and fund analysis. To be able to do that, we draw on the in-depth research done by a variety of reputable organizations and fund families: Value Line, Standard and Poor, Morningstar, Fidelity Investments, TIAA-CREF, the Vanguard Group and Schwab. We strive to gauge the fair value of a given security or fund and to get a sense of where the economy is heading. These sources help us perform due diligence before we add a given security or mutual fund to our list of investment candidates. We also try to keep up with relevant academic research on modern portfolio theory, asset allocation strategies, income distribution planning and try to incorporate some new relevant concepts in our practice.

While investment in any security involves some risk of loss, we try to protect you

- By effectively diversifying your assets between domestic and international financial markets, and
- By avoiding those asset classes that pose unusual or significant risk to you.

Our ultimate objective is to provide you with reasonable returns which will help you attain your financial goals over the long run.

DISCIPLINARY INFORMATION

We have never been involved in any legal or disciplinary action. We have never been in violation of an investment-related statute, regulation, rule or order.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

We have no conflicting industry activities or affiliations. We do not refer clients to other advisors. We do not receive any compensation from other financial industry participants.

CODE OF ETHICS

As fiduciaries, we have a duty to act solely in your best interest. You entrust us with your money. We do not take that responsibility lightly. Our fiduciary duty compels us to act with the utmost integrity in all of our dealings with you. This fiduciary duty is the core principle underlying our Code of Ethics. Adhering to this Code of Ethics means that we will:

- Place your interest ahead of our own interest.
- Strive to avoid any actual or perceived conflict of interest with you.
- Exercise diligence and care in maintaining and protecting your private, confidential information as stipulated in our Privacy Policy.
- Not receive (or give) any gift, gratuity, hospitality or other offerings of more than \$100.00 value from any person or entity doing business with us.
- Not make charitable contributions for the purpose of obtaining or retaining advisory contacts with charitable organizations.
- Not make political contributions for the purpose of obtaining or retaining advisory contacts with government entities.

In addition, we may buy or sell for your account the same securities that we buy and sell for ourselves. We make these investment decisions with your best interest in mind.

Our Code of Ethics also details our fiduciary duties and responsibilities and requires us to observe all applicable securities laws and rules.

BROKERAGE PRACTICES

We selected Fidelity Investments to be our primary custodian and broker. As indicated earlier, Fidelity Investments levies a flat fee on our securities transactions. Frequently, it waives fees for some trades.

We do not receive any compensation, services, or referrals for choosing Fidelity Investments or any other custodian to execute our trades.

Fidelity Investments act as a custodian to nearly half of our accounts. Our other primary custodian is TI-AA-CREF. This means that they hold your cash and securities and facilitate our trading activities. We selected them as custodians because of their commitment to excellent service, their relatively low trading cost, and their dedication to operating efficiency. Our advisory management fee is kept very low because of their operational efficiency, cutting-edge technology, and technical support.

We are not directly or indirectly compensated by our custodians. However, we must disclose that they make available to us the necessary software and technical support that allows us to conduct our back-office operations with great efficiency. This support is available to all investment advisors affiliated with them.

REVIEW OF ACCOUNTS

Your portfolio will be reviewed on an ongoing basis by Ahmad D. Issa and adjusted for possible changes in your personal profile and economic and market conditions. We encourage you to contact us to arrange to meet with us any time during the year.

In January of each year, we invite you to meet with us. The purpose of the meeting is to discuss your investment strategy and decide whether adjustments have to be made due to changes in your situation.

We also provide you with our own quarterly financial statements showing the values of your portfolio and individual holdings. We urge you to stay vigilant and review your statement and compare it with those you receive directly from the custodians.

CLIENT REFERRALS AND OTHER COMPENSATION

We do not receive or pay referral fees or any other benefits from or to third parties.

CUSTODY

Our custody over your assets is limited only to quarterly fee deduction. The following procedures are designed to help ensure that we do not inadvertently obtain further custody over your assets:

We will:

1. Obtain prior written authorization from you before deducting fees directly from your account.
2. Not serve as trustee over your account, unless you are an immediate family member.
3. Instruct the custodian to deliver your account statements directly to you either electronically or by regular mail.
4. Ensure that you receive or have access to custodial statements directly from the custodian, at least quarterly.

INVESTMENT DISCRETION

Our Advisory Investment Agreement gives us a discretionary authority to manage your investment portfolio. You grant us this discretionary authority by giving us a limited power of attorney over your accounts. Our authority is limited to:

1. Executing transactions within your accounts, and
2. Transferring money among your accounts or directly to your bank or your address of record.

VOTING CLIENT SECURITIES

We do not vote proxies on your behalf. All proxy materials will be sent directly to you or to your designated representative, who is responsible for voting the proxy. We may answer your questions regarding proxy-voting matters in an effort to assist you in determining how to vote the proxy. However, the final decision of how to vote the proxy rests with you.

FINANCIAL INFORMATION

We neither require nor solicit prepayment of any fees from you. As indicated in Fees and Compensation, all our fees are payable *after* we provide the service. In addition, we do not participate in action that requires the disclosure of your financial information as spelled out in our Privacy Policy.

REQUIREMENTS FOR STATE-REGISTERED ADVISORS

We are highly disciplined, focused, experienced, and dedicated to the concept of personalized, responsive service. We have expertise in fundamental research and analysis. As indicated earlier, we also have access to recognized resource material on individual securities, mutual funds, ETFs, financial markets, and the economy.

EDUCATION

B.S. (Honors)	Finance	University of Illinois	1962
M.S.	Finance	University of Illinois	1963
Ph.D.	Finance	University of Illinois	1967
CFP®	Certified Financial Planner*	College for Financial Planning	1986
M.S.F.P	Master of Science in Financial Planning	College for Financial Planning	1991
CDFA	Certified Divorce Financial Analyst	Divorce Fin. Analysts Institute	2003

*The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

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.

BUSINESS AND EMPLOYMENT BACKGROUND

Integrated Financial Planning	President/Owner	1986 - present
International Interfaces & Systems	President/Treasurer	1979 - 1983
Southern Illinois University	Assistant Professor of Finance	1967 - 1969
University of Detroit	Associate professor of Finance	1969 - 1976
Western Michigan University	Professor of Finance	1976 - 2002

PPROFESSIONAL ASSOCIATION

CFP Board of Standards
Financial Planning Association Heritage Club

OTHER ACTIVITIES

Faculty Retirement Seminar: Sixteen Hours/ Eight Week Seminar 1990-present