

# CLIENT DISCLOSURE BROCHURE



**PLANPREP LLC**  
**A REGISTERED INVESTMENT ADVISER**  
**CRD # 139300**

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This brochure provides information about the qualifications and business practices of PlanPrep. If you have any questions about the contents of this brochure, please contact us at [info@planprep.com](mailto:info@planprep.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about PlanPrep also is available on the Securities & Exchange Commission's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Note that this brochure has been filed, but has not been approved by the Securities & Exchange Commission or any state securities authority. Registration with the underlying authorities does not imply a certain level of skill or training.

# Summary of Material Changes

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We now offer a Retirement Tracker service for \$450.

The IMA Fee may be charged monthly or quarterly in arrears, depending on the investment custodial solution selected.

The IMA fee is a flat rate for assets custodiated with Genworth Financial Asset Management. The flat fee is typically 1.35%.

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# Advisory Business

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PlanPrep LLC opened for business on June 26, 2006. Burt Williamson, MBA, CFP® is PlanPrep's principal, and the Chief Planning Strategist and Chief Compliance Officer. Burt was born April 9, 1960. He received a BA in economics from Columbia University, and an MBA in marketing from the University of Connecticut. He prepared for the CERTIFIED FINANCIAL PLANNER™ pre-certification through the College for Financial Planning. He is trusted nationwide to provide excellent financial advice with solid recommendations for each client's unique financial situation. Burt has been involved in thousands of financial matters for individuals and business owners since 1995.

Burt began his financial planning career with American Express® Financial Advisors. He became a member of the Advance Advisor Group and won awards for his exceptional financial planning skills. He gained invaluable experience at Hartford Life in advanced estate and business planning. Prior to launching PlanPrep, Burt served as the Senior Planning Specialist for LPL Financial, where he worked with advisors across the country to help them address their clients' financial planning matters - from the simple to extremely complex.

Burt is licensed to provide life, health and variable insurance products (California only). His California insurance license is #0D33315.

## **FINANCIAL PLANNING SERVICES**

PlanPrep creates tailored financial strategies for your unique financial situation based on your life goals and resources. We provide analyses with plain English summaries and specific action steps to help guide you toward your specific financial objectives.

Analyses are performed using PlanPrep's unique questionnaire and your confidential data. We use eMoneyAdvisor and Microsoft Excel to run calculations, and eMoney to provide you access to your financial plans and vault. Strategies include cash flow planning, cash management, education and retirement planning, business and estate planning, legacy and charitable planning, as well as disability, life and long-term care planning, income tax planning, and investment planning.

### **Potential Conflicts of Interest**

Any material conflict of interest which could be reasonably expected to impair the rendering of unbiased and objective advice will be fully disclosed in advance. This may result from our creating a financial plan on your behalf and also recommending investments and insurance products that you can place through PlanPrep and Burt Williamson. Note that you are under no obligation to implement to invest or purchase insurance through PlanPrep or Burt Williamson as a result of going through our financial planning process.

## **INVESTMENT MANAGEMENT SERVICES**

PlanPrep may recommend portfolio changes based on the results of the financial analysis within your existing portfolio or we may suggest a new strategy through outside portfolio managers who may have platforms that are suitable for your particular investment needs. We do not provide any kind of market timing service, have discretion over any of your accounts, nor do we have any assets under direct management at this time.

The Investment Management Account (IMA) authorizes PlanPrep to purchase and sell mutual funds, securities, exchange traded funds and separately managed accounts pursuant to the investment objectives you have set forth in your Investment Policy Statement, to liquidate previously purchased mutual funds, equities, fixed income, options, hedge funds, structured products, and managed futures.

Before opening an IMA, PlanPrep obtains the necessary financial data from you to create an investment policy, assists you in determining the suitability of the IMA and assists you in setting appropriate investment objectives. You will receive an account statement showing account activity as well as positions held in the account at quarter end, a confirmation of each transaction that occurs within your accounts, and a detailed quarterly report describing performance, positions and activity.

The assets in the account shall be held for safekeeping with a Custodian. PlanPrep shall not act as Custodian for any of the assets in the account and shall not be liable to you for any act, conduct or omission by the Custodian. Our advice is based on the results of your financial plan and investment policy statement.

### **Non-discretionary**

You will be consulted prior to any recommended sale or purchase being executed for any and all securities transactions on behalf of you. PlanPrep will not manage securities on a discretionary basis or have limited power of attorney over any of your accounts. PlanPrep is not authorized to vote any proxies on your behalf.

### **Order Execution**

Orders are routed to the marketplace automatically via computer. However, you acknowledge and agree that at our sole discretion, certain orders may be subject to manual review, which may cause delays in the processing of those orders. You acknowledge and agree that your order will receive the price at which it executes in the marketplace, which may be different from the price at which the security is quoted or trading when your order is entered into our system. With respect to transactions in mutual fund shares, you understand that such transactions will be effected at a price based on the net asset value next determined after receipt of your order by the fund or its authorized agent in accordance with the terms of the fund's prospectus and Statement of Additional Information. This is typically at the end of the trading day for which the order was entered unless after market hours.

PlanPrep will make every attempt to obtain the best execution possible for security transactions. PlanPrep may aggregate your transactions to improve the quality of execution or lower the effective price of a transaction. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and you account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained.

## **LIFE AND LONG TERM CARE INSURANCE**

PlanPrep may recommend insurance changes based on the results of the financial analysis of your existing coverage or we may suggest new coverage that are suitable for your particular insurance needs through one of the many highly rated insurance providers.

# Fees and Compensation

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## Financial Planning Fees

The fee is based on the complexity of your personal financial situation and the size and complexity of your asset mix. These fees may be negotiated before an agreement is signed. PlanPrep fees may be lower or waived in the future depending on the amount of investment management fees we collect.

<u>Value of Assets</u>	<u>Planning Fee Range</u>
Up to \$3,500,000 . . . . .	\$0 to \$2,500
\$3,500,001 to \$7,000,000 . . . . .	\$2,500 to \$5,000
\$7,000,000 plus . . . . .	\$5,000 to \$50,000

## Alternative Hourly Fee

PlanPrep will provide consultative services on an hourly basis at the rate of \$100 an hour in one or more areas. The fee is billable in 15 minute increments. Consulting services are available for situations that do not require a complete financial plan.

## Discontinuation of Financial Planning Engagement

Prior to the delivery of the Report to you, this Agreement may be terminated upon written notice by either party to the other. If either you or PlanPrep terminates this Agreement within five business days of its effective date, PlanPrep will refund to you the entire fee paid to PlanPrep. Upon termination, PlanPrep shall be under no obligation to deliver a plan to you. This Agreement will terminate (and no refund will be available) upon acceptance of the Report by you.

## Investment Management Fees

Note that the IMA fee is a flat rate for assets custodiated with Genworth Financial Asset Management. The flat fee is typically 1.35%. The following schedule applies to assets in portfolios held at TD Ameritrade or FTJ.

<u>Account Size</u>	<u>Annual % Fee</u>
\$250,000 to \$500,000 . . . . .	1.50%
\$500,001 to \$1,000,000 . . . . .	1.25%
\$1,000,001 to \$3,000,000 . . . . .	1.10%
\$3,000,000+ . . . . .	1.00%

The IMA Fee is charged either monthly or quarterly in arrears, and may depend on the service we provide you. For purposes of calculating the IMA Fee and providing performance reports, the account period begins on the first day of the month in which the account is accepted by PlanPrep. The initial Account fee is prorated for the number of business days remaining in the period following execution of the IMA Client Agreement. Subsequent Account fee payments are due and assessed at the end of each period based on the value of the assets under management as of the close of business on the last business day of that period. All Account Fees are deducted from the account pursuant to the IMA Client Agreement, unless other arrangements have been made in writing.

The Account Fee is deducted from your account directly by the custodian at the end of the period, and is clearly noted on your statements and/or confirmations. Changes to the PlanPrep Fee Schedule go into effect thirty (30) days after you are notified in writing of any change in the amount of the Fee or Charges applicable to your accounts.

**Discontinuation of Investment Advisory Service**

This Agreement may be discontinued at any time by either party upon 30 days written notice to the other party. Fees will be prorated to the date of discontinuation. After discontinuation of this Agreement, PlanPrep shall have no obligation whatsoever to recommend any action with respect to the account, or to liquidate any assets in the account. PlanPrep shall be entitled to fees in connection with its services provided for the period to such termination or earned in the service of the account for any transfers to another firm.

If a PlanPrep IMA is closed within the first period by you or as a result of withdrawals which bring the account value below the required minimum, PlanPrep reserves the right to retain the account fee for the entire period or may close the account and bill all transactions in the account at the prorated amount for the period managed. This is intended to cover the administrative activities for establishing the account which may include: transferring positions into and out of the account, data entry for opening the account, reconciliation of positions, and re-registration of positions.

**Investment Management Reports** - are delivered on a quarterly basis, but may be monthly, depending on the level of service provided. These reports show the holdings, allocations, performance and expenses incurred.

**In the event of your death, incompetency or disability**

We may cancel or close any open orders for the purchase or sale of any property, we may place orders for the sale of property which we may be carrying for you and for which payment has not been made or buy any property of which your accounts may be short, or any part thereof, under the same terms and conditions as herein stated, as though you were alive and competent, without prior notice to your heirs, executors, beneficiaries, administrators, assigns, committee, or conservators and without prior demand upon any of them. This Agreement and its terms shall be binding upon your heirs, executors, beneficiaries, administrators and assigns.

**Account Risks and Limitations**

Your investments are subject to risks associated with investing in securities, including various market, currency, economic, political and business risks. PlanPrep does not guarantee the performance of your investments or guarantee that PlanPrep's advice or strategies will be successful or that your investment objectives will be met.

**Trading Limitations/Excessive Trading Activity by Client**

The brokerage account is not intended for excessive trading activity by you. You agree that you will not use the account for excessive trading activity such as day trading, mutual fund trading based on market timing, overuse of stop or limit orders, or excessive order splitting of the same stock on the same day.

If you engage in excessive trading activity as determined by PlanPrep, in its sole discretion, you may be subject to additional charges, restrictions, and/or termination of your account as PlanPrep determines in its sole discretion on a case-by-case basis. You agree that you will not use this account as a securities broker-dealer, investment advisor, futures commission merchant, commodities introducing broker, or commodity trading advisor, member of a securities exchange or association or futures contract market, or an owner, partner or associated person of any of the foregoing.

**Indirect Expenses You May Incur**

In addition to the Account Fees discussed above, you may incur charges imposed by third parties in connection with investments made through your accounts. These may include, but are not limited to, the following: mutual fund 12b-1 and agent fees, mutual fund management fees and administrative expenses, mutual fund transaction fees, certain deferred sales charges on previously purchased mutual funds or variable annuities transferred into the account, other transaction charges and service fees, IRA and qualified retirement plan fees, administrative servicing fees for trust accounts, fees imposed by unit investment trust sponsors, and other charges required by law. These might not appear on any statements. Mutual fund fees and expenses are disclosed in the prospectus for each fund.

**Restricted Stock**

You must advise us as to the status of any restricted securities eligible for sale Rule 144 or 145 of the Securities Act of 1933 and deliver to us the appropriate documentation to ensure clear legal transfer of such securities if they are to be sold through PlanPrep. You understand that special handling for these transactions may take several weeks, during which time prices may fluctuate. You agree that we will have no responsibility for any losses incurred by delays during the transfer process.



# Performance-Based Fees and Side-By-Side Management

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Not Applicable

# Types of Clients

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We provide financial advice and investment management for individuals, couples, families, baby boomers, trusts held for clients and their family members, senior executives, business owners, and pension and retirement plans owned or needed for business owner clients.

# Method of Analysis, Investment Strategies and Risk of Loss

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PlanPrep gathers all the necessary data from you and performs analyses using the following software: eMoneyAdvisor, Microsoft PowerPoint, Morningstar, and Microsoft Excel. Strategies include, but are not limited to: cash flow planning, cash management, education and retirement planning, business and estate planning, legacy and charitable planning, as well as disability, life and long-term care planning, income tax planning, and investment planning.

PlanPrep provides specific and actionable advice. This may include investment recommendations. These are typically broadly diversified. We select outside portfolio managers who focus on a combination of tactical portfolio management as well as static portfolio designs that rebalance from time to time. There may be substantial risk of loss with investments we recommend.

## **Coordinating With Your Other Professionals**

PlanPrep's objective is to assure that your plan is fully and properly implemented. PlanPrep will meet with you and your attorney and/or accountant to assist with the development and implementation of the plan.

## Disciplinary Information

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Not Applicable

## Other Financial Industry Activities and Affiliations

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Not Applicable

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

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## CODE OF ETHICS

We at PlanPrep adhere to the code of ethics of the Financial Planning Association (FPA) and CFP Board. This reflects our commitment to help you achieve your life goals. In accordance with the founding documents created by the FPA's first board of directors, including the Memo of Intent and Bylaws, all PlanPrep employees are committed to this code of ethics. PlanPrep's Code of Ethics is in recognition of our responsibilities to the public, our clients, colleagues and our employees.

**Integrity** - PlanPrep shall offer and provide professional services with integrity. PlanPrep is placed by you in a position of trust and confidence. The ultimate source of such public trust is our personal integrity. In deciding what is right and just, we should rely on our integrity as the appropriate touchstone. Integrity demands honesty and candor, which must not be subordinated to personal gain and advantage. Within the characteristic of integrity, allowance can be made for innocent error and legitimate difference of opinion, but integrity cannot co-exist with deceit or subordination of one's principles. Integrity requires everyone at PlanPrep to observe not only the letter but also the spirit of this Code.

**Objectivity** - PlanPrep staff shall be objective in providing professional services to you. Objectivity requires intellectual honesty and impartiality. It is an essential quality for any professional. Regardless of the particular service rendered or the capacity in which PlanPrep staff functions, PlanPrep staff should protect the integrity of their work, maintain objectivity, and avoid subordination of their judgment that would be in violation of this Code.

**Competence** - PlanPrep staff shall provide services to you competently and maintain the necessary knowledge and skill to continue to do so in those areas in which we are engaged. One is competent only when he or she has attained and maintained an adequate level of knowledge and skill, and applies that knowledge effectively.

Competence also includes the wisdom to recognize the limitations of that knowledge and when consultation or referral to another professional is appropriate. In addition to assimilating the common body of knowledge required and acquiring the necessary experience, PlanPrep staff shall make a continuing commitment to learning and professional improvement.

**Fairness** - PlanPrep staff shall perform professional services in a manner that is fair and reasonable to you, principals, partners, and employers and shall disclose conflict(s) of interest(s) in providing such services. Fairness requires impartiality, intellectual honesty, and disclosure of conflict(s) of interest(s). It involves a subordination of one's own feelings, prejudices, and desires so as to achieve a proper balance of conflicting interests. Fairness is treating others in the same fashion that we would want to be treated and is an essential trait of our professional.

**Confidentiality and Privacy** - PlanPrep staff shall not disclose any of your confidential information without the specific written consent from you unless in response to proper legal process, to defend against charges of wrongdoing by PlanPrep staff or in connection with a civil dispute between PlanPrep and you. You create a relationship of personal trust and confidence with PlanPrep by engaging our services. This type of relationship can only be built upon the understanding that information supplied to PlanPrep and other information we may gather on your behalf is strictly confidential. In order for us to provide the services effectively and to protect your privacy, PlanPrep staff shall safeguard the confidentiality of such information.

**Professionalism** - The conduct of PlanPrep's staff shall reflect credit upon the profession in all matters. Because of the importance of the professional services rendered by PlanPrep, there are attendant responsibilities to behave with dignity and courtesy to all those who use those services and those in related professions.

**Diligence** - PlanPrep staff shall act diligently in providing professional services. Diligence is the provision of services in a reasonably prompt and thorough manner. Diligence also includes proper planning for and supervision of the rendering of professional services.

## **PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS**

Burt Williamson may invest in the same securities or accounts that are recommended to Clients. Full disclosure will be made in writing of any investment recommendation for securities already held by Burt Williamson or any of the PlanPrep staff.

## **PERSONAL TRADING**

Burt Williamson only conducts his personal transactions after implementing your investments and trades are completed.

# Brokerage Practices

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Not Applicable



# Brokerage for Client Referrals

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Not Applicable

# Directed Brokerage

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Not Applicable

# Review of Accounts

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## **Financial Plan Reviews**

These are performed by Burt Williamson to verify that your data is complete and entered accurately, and that reports show respective financial goals with appropriate projections. Annual reviews are also performed by Burt Williamson to assure that your goals and resources are still in proper alignment.

## **Investment Account Reviews**

These are performed at least quarterly by Burt Williamson for compliance with your investment policy statement.

# Client Referrals and Other Compensation

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Not Applicable

# Custody

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Not Applicable

# Investment Discretion

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Not Applicable

# Voting Client Securities

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Not Applicable

# Financial Information

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Not Applicable



# Requirements for State-Registered Advisers

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## **Principal Executive Officer**

Burton F. Williamson, MBA, CFP®  
5195 Corte Estima, # 110  
Camarillo, CA 93012  
858-220-6334

## **Other Business Activities**

Burt Williamson may act as an insurance agent for life and long term care insurance. PlanPrep's financial planning fees and investment management fees do not include advice on insurance needs or insurance products. Insurance advice is provided at no additional charge.

# Other Important Disclosures

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## **File Retention**

PlanPrep maintain backup copies electronically of all of documents provided by you and generated for you for up to six (6) years after the completion of an engagement, or longer as required by law.

## **Disclaimer**

PlanPrep and its employees are not authorized or licensed to give legal, tax, accounting and/or property and casualty advice, and you will retain your own attorney, tax advisor, accountant and/or property and casualty agent regarding these matters.

## **Privacy**

All information and advice furnished by either party to the other shall be treated as confidential and proprietary, and shall not be disclosed to third parties except as required by law.

PlanPrep agrees that any and all information submitted in accordance with the above paragraph shall be treated on a strictly confidential basis and will not be disclosed to anyone, except PlanPrep's agents and employees or to others of whom you and PlanPrep may agree in writing, or as may be required by law.

Notwithstanding language to the contrary, PlanPrep represents and warrants that it has appropriate measures to maintain the security and confidentiality of your information which PlanPrep may use, have knowledge of, or have access to as a result of its relationship with you under the terms of this Agreement. PlanPrep further represents and warrants that it will not use any personal information of yours for any purpose other than to carry out the activities that were intended under the terms of the PlanPrep Financial Planning Agreement.

## **Required Education And Business Standards Of PlanPrep Staff**

All current and future employees are required to abide by the PlanPrep Employment Agreement as well as the CFP® Code of Ethics, while maintaining strict confidentiality of all work performed, unless required to disclose by law enforcement. All investment adviser representatives and associated persons will meet the examination or experience requirements of the state(s) in which they provide investment advisory services. These standards survive PlanPrep employment indefinitely.

## **Arbitration**

The Client hereby agrees that all controversies which may arise between the Client and PlanPrep concerning any advice or the construction, performance, or breach of this Agreement between the Client and PlanPrep, whether entered into prior to, on, or subsequent to the date hereof, shall be determined by arbitration. The Client understands that this agreement to arbitrate does not constitute a waiver of the right to seek a judicial forum where such waiver would be void under federal securities laws.

Any arbitration shall be held in the county of Ventura and may be arbitrated by the American Arbitration Association, pursuant to the Arbitration Laws of the state of California, or before the American Arbitration Association and in accordance with its rules then applying.

## **Governing Law**

The Client and PlanPrep shall comply with all applicable laws, statutes, ordinances and regulations regarding the Client's use of PlanPrep's services. This Agreement, and the rights and duties of the parties under it, are governed by the laws of the State of California. The Client has read and understands the foregoing and agrees to adjudicate disputes arising out of this Agreement, if any, in Ventura County, California. The Client hereby waives the right to adjudicate matters of this Agreement in any other jurisdiction.

# Business Continuity Plan

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## **Overview**

PlanPrep is committed to providing timely service to Clients. We recognize the importance of preparing for various disaster scenarios that could hamper our ability to provide service, and have taken steps to provide for business contingency and continuity planning under a variety of potential scenarios.

The plan addresses business disruptions of varying severity and scope at our office in Camarillo, California. It provides for testing at least annually and in response to any material changes affecting our business, and takes into consideration our critical third-party relationships. Although it is impossible to anticipate every scenario, we believe that our plan will enable us to resume doing business upon the occurrence of those events that are most likely to affect our office.

We have engaged a reliable third-party to provide us with off-site data back-up at their remote location in another region of the country where they provide fully encrypted data.

## **Firm-Only Disruptions**

To respond to a disruption that affects only PlanPrep, such as a computer virus, we have developed an emergency response/crisis management strategy. This strategy will take us through disruptions that affect our operations and will do so through the use of damage assessment and damage mitigation.

If this type of disruption takes place, we intend to restore our services and asset management operations immediately with a non-networked computer within our office. However, in light of the various types of disruptions of this nature that could take place, it may take a day or longer for us to resume operations in one or more of these lines of business during any particular disruption.

## **Disruptions that Affect the Building**

In the event of a disruption that affects PlanPrep's office, such as an earthquake or fire, our plan calls for a response involving location. Hopefully, we will resume our services and asset management operations, including services that support these operations, immediately from a different location. Certain key personnel may work remotely.

We hope to resume operations in all of our business lines immediately, but at least within one day after a disruption occurs. It may, however, take as long as two or three days to resume doing business in one or more lines of operation depending on the building that is affected as well as on the availability of data and applications from our data centers.

## **Disruptions Affecting the Entire City or Business District**

If a disruption significant enough to affect the entire city or business district, such as an earthquake, wildfire or terrorist attack, cuts off access to PlanPrep's office, under our plan we will resume clearing, retirement services, and asset management operations (including services that support these operations) within one business week.

As above, certain key employees may work remotely and certain operations and support services may be available immediately. We intend to resume operations in all of our business lines within one day after a disruption of this nature occurs. It may, however, take a week or longer to recover depending on the retrieval of data and applications from our data centers and on the availability of key employees.

## **Disruptions Affecting the Entire Region**

In the event of a disruption that affects the entire region such as a regional power outage, we will resume planning services and asset management operations (including services that support these operations) from third-party back-up facilities. PlanPrep intends to resume operations within one week after the disruption occurs, but one or more of our business lines may not be able to resume operations until the disruption is over.

**Recovery Time Variables**

In all of the situations described above, PlanPrep expects to continue doing business and expects to resume operations within the specified time frames. However, in the event that a business disruption results in a significant loss of life at our office or otherwise results in our key employees being unavailable or unable to report for service, the recovery times described above may be significantly increased.

Furthermore, although we expect to continue operating regardless of the type of disruption, it is impossible to anticipate every scenario. It is, therefore, possible that a significant business disruption could result in PlanPrep deciding that we are unable to continue doing business. In those situations, our plan provides procedures to help ensure that our customers have prompt access to their funds and securities. We continue to assess how our plan takes into consideration our critical third party relationships.

**Changes and Modifications**

PlanPrep's business continuity plan is subject to modification. We will promptly post information about updates or modifications to the plan on our website in the event of a disruption.