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#### Part 2A Brochure

This brochure provides information about the qualifications and business practices of The Planned Approach, Inc. If you have any questions about the contents of this brochure, please contact us at 913-649-0827. 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. The Planned Approach, Inc. is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Additional information about The Planned Approach, Inc. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for The Planned Approach, Inc. is 166638.

## **ITEM 2 - MATERIAL CHANGES**

### **Summary of Material Changes**

Set for below is a summary of material changes in this brochure from our initial filing on March 6, 2013.

Item 4 Third Party Managers.

The Planned Approach does not utilize the services of Third Party Managers. This services has been removed from Item 4 and Item 5.

If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact Janis Bolin at 913-649-0827 or [janis@financialgoddess.com](mailto:janis@financialgoddess.com)

We encourage you to read this document in its entirety.

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## **ITEM 4 - ADVISORY BUSINESS**

This Disclosure document is being offered to you by The Planned Approach, Inc. ("The Planned Approach") in connection with the investment advisory services we provide. It discloses information about the services we provide and the manner in which those services are made available to you, the client.

We are an investment management firm located in Prairie Village, Kansas, specializing in proactive investment advisory services for investors with income over \$300,000 (\$200,000 single filers) or investable assets over \$1,000,000. The firm was established by Stephanie Guerin and Kelly Hokanson, the firm's principal owners, in 2002 and became a registered investment adviser in 2013.

We are committed to helping clients build, manage, and preserve your wealth, and to provide assistance to clients to help achieve their stated financial goals. We may offer an initial complimentary meeting upon our discretion; however, investment advisory services are initiated only after you and The Planned Approach execute an engagement letter or client agreement.

### **Investment Management and Supervision Services**

We offer discretionary investment management and investment supervisory services for a fee based on a percentage of your assets under management. These services include investment analysis, allocation of investments, quarterly portfolio statements and ongoing monitoring services for the portfolio.

We determine your portfolio composition based on your needs, portfolio restrictions, if any, financial goals and risk tolerances. We will work with you to obtain necessary information regarding your financial condition, investment objectives, liquidity requirements, risk tolerance, time horizons, and any restrictions on investing. This enables us to determine the portfolio best suited for your investment objective and needs.

In performing our services, we shall not be required to verify any information received from you or from other professionals. If you request, we may recommend and/or engage the services of other professionals for implementation purposes. You are under no obligation to engage the services of any such recommended professional.

Once we have determined the types of investments to be included in your portfolio, and allocated them, we will provide ongoing portfolio review and management services. This approach requires us to review your portfolio at least quarterly.

We will rebalance the portfolio, as we deem appropriate, to meet your financial objectives. We will trade these portfolios and rebalance them on a discretionary basis.

Our advisory services are tailored to meet your individual needs. You will have the ability to leave standing instructions with us to refrain from investing in particular industries or invest in limited amounts of securities.

While our advisory services are tailored to you as an individual, when using mutual funds or Exchange Traded Funds (“ETFs”) this multi-fund manager approach makes it difficult for us to ensure that your portfolio will not invest in a particular industry or security. However, we are happy to discuss your preferences regarding socially conscious investment concerns and, we’ll try as much as possible, to accommodate them.

In all cases, you have a direct and beneficial interest in your securities, rather than an undivided interest in a pool of securities. We do not and will not have custody of your funds or securities. We do have limited authority to direct the Custodian to deduct investment advisory fees, but only with the appropriate authorization from you.

You are advised and are expected to understand that our past performance is not a guarantee of future results. Certain market and economic risks exist that may adversely affect an account’s performance. This could result in capital losses in your account.

### **Retirement Plan Advisory Services**

Retirement Plan Advisory Services consists of assisting employer plan sponsors establish, monitor and review their company's retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment selection and monitoring, plan structure, and participant education.

We will establish your plan’s needs and objectives through an initial meeting to collect data, review plan information, and assist you in developing or updating the plan’s provisions. Ongoing services to you may include recommendations regarding the selection and review of unaffiliated mutual funds that, in our judgment, are suitable for plan assets for you to be invested. We periodically review the investment options you select and make recommendations to keep or replace plan investment options as appropriate. We perform a comprehensive review of potential service providers or vendors and will assist you with converting from your incumbent service provider to a new service provider selected by you. You are under no obligation to follow the recommendations we make.

Services available under an Investment Advisory Agreement permit us to provide financial education to your plan participants. The scope of education provided to participants at your request will not constitute “investment advice” within the meaning of ERISA and participant education will relate to general principles for investing and information about the investment options currently in the plan. We may also participate in initial enrollment meetings and periodic workshops and enrollment meetings for new participants as we agree upon.

All Retirement Plan Advisory Services shall be in compliance with any applicable Federal and State law(s) regulating the services provided by our Agreement. This section applies to

an Account that is a pension or other employee benefit plan (a “Plan”) governed by the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). If your Account is part of a Plan and we accept appointments to provide our services to your Account, we acknowledge that we are a fiduciary within the meaning of Section 3(21) of ERISA (but only with respect to the provision of services described in section 1 of this agreement). You represent that (i) Our appointment and services are consistent with the Plan documents, (ii) You have furnished us true and complete copies of all documents establishing and governing the Plan and evidencing your authority to retain our firm. You further represent that you will promptly furnish us with any amendments to the Plan, and you agree that, if any amendment affects our rights or obligations, such amendment will be binding on us only with our prior written consent. If your Account contains only a part of the assets of the Plan, you understand that we will have no responsibilities for the diversification of the Plan’s investments, and we have no duty, responsibility or liability for the assets that are not in the account. If ERISA or other applicable law requires bonding with respect to the assets in your account, you will obtain and maintain at your expense bonding that satisfies this requirement and covers The Planned Approach and any of our affiliates.

### **Sub-Advisory Agreements**

The Planned Approach may utilize independent third-party investment advisers to aid us in the implementation of investment strategies for your portfolio. In certain circumstances, we may allocate a portion of a portfolio to an independent third-party investment adviser (“separate account manager”) for separate account management based upon your individual circumstances and objectives, including, but not limited to, your account size and tax circumstances. Upon the recognition of such situations, in coordination with you, we will hire a separate account manager or enter into a tri-party agreement with you and separate account manager for the management of those securities.

### **Financial Planning Services**

Financial advisory services provided by us may include the analysis of your situation and assistance in identifying and implementing appropriate financial planning and investment management techniques to help you meet your specific financial objectives. Such services may include a written financial analysis and specific or general investment and/or planning recommendations.

In preparing your financial plan, we may address any or all of the six areas of financial planning established by the National Endowment for Financial Education and endorsed by the Certified Financial Planner Board of Standards, depending on your specific needs. These include: financial position, protection planning, investment planning, income tax planning, retirement planning, and estate planning.

Our specific services in preparing your plan may include:

- Review and clarification of your financial goals.
- Assess of your overall financial position including cash flow, balance sheet, investment strategy, risk management and estate planning.
- Create of a unique plan for each goal you have including personal and business real estate, education, retirement or financial independence, charitable giving, estate planning, business succession and other personal goals.
- Develop of a goal oriented investment plan around tax suggestions, asset allocation, expenses, risk and liquidity factors for each goal. This includes IRA and qualified plans, taxable and trust accounts that require special attention.
- Design a complete risk management plan including risk tolerance, risk avoidance, mitigation and transfer, including liquidity as well as various insurance and possible company benefits.
- Craft and implement, in conjunction with your estate and/or corporate attorneys as tax advisor, an estate plan to provide for you and/or your heirs in the event of an incapacity or death.
- Generate a benefits plan, risk management plan and succession plan for your business, if applicable.

### **Consulting Services**

We also provide clients investment advice on a more limited basis on one or more isolated areas of concern such as estate planning, real estate, retirement planning, or any other specific topic. Additionally, we may provide advice on non-securities matters in connection with the rendering of estate planning, insurance, real estate, and/or annuity advice.

### **Wrap Fee Programs**

Our services may include a wrap fee program for portfolio management. There is no difference between how we manage wrap fee accounts and how we manage other accounts. We will receive a portion of the wrap fee for our services.

### **Assets**

As of March 4, 2014, we manage \$130,661,789 in client assets on a discretionary basis. management. We manage \$1,799,851 in client assets on a non-discretionary basis.

## **ITEM 5 - FEES AND COMPENSATION**

### **Investment Management Fees and Compensation**

The Planned Approach charges a fee as compensation for providing Investment Management services on your account. These services include advisory and consulting services, trade entry, investment supervision, and other account maintenance activities. The custodian may charge custodial fees, transaction costs, redemption fees, retirement plan and administrative fees or commissions. See Additional Fees and Expenses below.

In addition, some mutual fund assets deposited in the account may have been subject to deferred sales charges and 12 (b) (1) fees and other mutual fund annual expenses as described in the fund's prospectus. Furthermore, some existing variable annuities may be subject to trailing service fees, deferred sales charges, and mortality and expense fees. These fees are independent of our fees and should be disclosed by the custodian or contained in each fund's prospectus. You should also note that fees for comparable services vary and lower fees for comparable services may be available from other sources.

The fees for accounts are based on an annual percentage of assets under management. The fees are applied to the account asset value on a pro-rated basis, billed quarterly in arrears. The initial fee will be based upon the date the account is accepted for management by execution of the investment advisory contract by the Firm and the assets are transferred through the last day of the current calendar quarter. The management fee is based on the size of the account at inception and is reviewed annually and reset at the time of the advisory client's annual review if the account(s) qualify for a lower fee.

The fee is charged quarterly and is calculated on the market value of the account on the last day of the calendar quarter and will cover the period from the first day of the calendar quarter through the last day of the calendar quarter. The market value will be determined as reported by the Custodian. Fees are assessed on all assets under management, including securities, cash and money market balances.

Our investment advisory fees shall not exceed 1.50%. The specific advisory fees are set forth in your Investment Advisory Agreement. Fees may vary based on the size of the account, complexity of the portfolio, extent of activity in the account or other reasons agreed upon by us and you as the client. In certain circumstances, our fees and the timing of the fees may be negotiated.

At our discretion, we may add (aggregate) asset amounts in accounts from your same household together to determine the advisory fee for all your accounts. We may do this, for example, where we also service accounts on behalf of your minor children, individual and joint accounts for a spouse, and/or other types of related accounts. This consolidation practice is designed to allow you the benefit of an increased asset total, which could potentially cause your account(s) to be assessed a reduced advisory fee based on the asset levels available in our fee schedule.



You authorize us to debit your account quarterly for our fee. The independent qualified custodian holding your funds and securities will debit your account directly for the advisory fee and pay that fee to us.

You will provide written authorization permitting the fees to be paid directly from your account held by the qualified custodian. Further, the qualified custodian agrees to deliver an account statement at least quarterly directly to you indicating all the amounts deducted from the account including our advisory fees. You are encouraged to review your account statements for accuracy. We will receive a duplicate copy of the custodian's statement that was delivered to you.

Either The Planned Approach or you may terminate the management agreement, upon 30 day written notice to the other party. The management fee will be pro-rated to the date of termination, for the quarter in which the cancellation notice was given, and any unearned fees will be refunded to you. Upon termination, you are responsible for monitoring the securities in your account, and we will have no further obligation to act or advise with respect to those assets.

#### **Administrative Services Provided by ORION Advisor Services, LLC**

We have contracted with ORION Advisor Services, LLC (referred to as "ORION") to utilize its technology platforms to support data reconciliation, performance reporting, fee calculation and billing, research, client database maintenance, quarterly performance evaluations, payable reports, web site administration, models, trading platforms, and other functions related to the administrative tasks of managing client accounts. Due to this arrangement, ORION will have access to client accounts, but ORION will not serve as an investment advisor to our clients. The Planned Approach and ORION are non-affiliated companies. ORION charges our firm an annual fee for each account administered by ORION. The annual fee is paid from the portion of the management fee retained by us.

#### **Financial Planning Fees**

Your fee for the designated financial advisory services is a fixed fee. Under a fixed fee arrangement, any fee will be agreed upon by you and your advisor in advance of services being performed. The fee will be determined based on factors including your net worth, the complexity of your financial situation, agreed upon deliverables, and whether or not you intend to implement any recommendations through your financial advisor.

The type of fee and -- in the case of a fixed fee -- the amount must be agreed to by you and your advisor prior to the signing of the financial planning agreement. The agreed upon fee is due upon signing the agreement. We will complete work within six months of the date your fee is paid. If the work is not completed in such a time, we will refund your fee on a pro-rated basis. Initially first year fees range between \$5,000 and \$20,000. In subsequent years, fees range between \$1,500 and \$20,000.

In no case are our fees based on, or related to, the performance of your funds or investments.

We will not require prepayment of more than \$1,200 in fees per client, six (6) or more months in advance of providing any services.

You may terminate the financial planning agreement by providing us with written notice. Upon termination, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to you based on an hourly rate of \$300.00.

When both investment management or plan implementation and financial planning services are offered, there is a potential conflict of interest since there is an incentive for the party offering financial planning services to recommend products or services for which The Planned Approach, or a related party, may receive compensation. However, as a financial planning client, you are under no obligation to act upon any of our recommendations or effect the transaction(s) through us if you decide to follow the recommendations.

### **Consulting**

Your fee for general consulting services is a fixed fee. Under a fixed fee arrangement, any fee will be agreed upon by you and your advisor in advance of services being performed. The fee will be determined based on factors of the consulting project and fully detailed in our agreement. A portion of the fee is payable upon signing the agreement. We will complete work within six months of the date your fee is paid, in cases where you pay in advance. If the work is not completed in such a time, we will refund your fee on a pro-rated basis. The fixed fee ranges between \$6,800 and \$30,000.

You may terminate the consulting service agreement by providing us with written notice. Upon termination, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to you based on an hourly rate of \$300.00.

### **Additional Fees and Expenses:**

Advisory fees payable to us do not include all the fees you will pay when we purchase or sell securities for your Account(s). The following list of fees or expenses are what you may pay directly to third parties, whether a security is being purchased, sold or held in your Account(s) under our management.

- Brokerage commissions;
- Transaction fees;
- Exchange fees;
- SEC fees;
- Advisory fees and administrative fees charged by Mutual Funds (MF) and Exchange Traded Funds (ETFs)
- Advisory fees charged by sub-advisers (if any are used for your account);

- Custodial Fees;
- Deferred sales charges (on MF or annuities);
- Odd-Lot differentials;
- Transfer taxes;
- Wire transfer and electronic fund processing fees;
- Commissions or mark-ups / mark-downs on security transactions;

Please refer to the “Brokerage Practices” below for discussion of The Planned Approach’s brokerage practices.

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

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We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance based fees). Our advisory fee compensation is charged only as disclosed above in Fees and Compensation.

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**ITEM 7 - TYPES OF CLIENTS**

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We provide investment advice to individuals, high net worth individuals, small businesses, trusts and estates. Our initial account value is \$1,000,000; however, we may accept accounts for less than the minimum.

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

The method of analysis we utilize is both fundamental and technical. We gather our information for investment purposes from financial newspapers, magazines, research prepared by others, corporate rating services, company press releases, annual reports, prospectuses and filings with the Securities and Exchange Commission.

We determine how to allocate assets among the various management styles and models based on the investment strategy chosen, prevailing economic conditions, market trends, and our determination of where we are in the economic cycle. Potential risks and opportunities are weighed to determine how much exposure, if any, the model will have to each asset class. Any (or all) model(s) at any point in time might be invested totally in cash, net long<sup>1</sup>, short<sup>2</sup> or neutral.

From time-to-time, market conditions may cause your account to vary from the established allocation. To remain consistent with the asset allocation guidelines established, your account is monitored on an ongoing basis and, if necessary, rebalanced at least annually to the original allocation, or if deemed beneficial, to a new allocation based on the then prevailing economic conditions and within the guidelines of the chosen investment strategy.

In addition to the annual rebalancing, overall market conditions and microeconomic factors affecting specific holdings may trigger changes in allocation. Such changes would remain within the bounds set by this statement for each asset type. Accounts may also receive informal reviews more frequently.

Under unusual or extreme market conditions, we may move your account to a more defensive posture than the normal strategy allocation, including the possibility of moving to all cash or cash equivalents.

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<sup>1</sup> To be “long” means to be invested in the traditional sense. When one buys a stock, they are said to be “long” that stock. To be positioned net long means to be invested in such a way that the overall portfolio seeks to benefit from increases in asset values.

<sup>2</sup> To be “short” means to borrow a stock, fund or other asset and immediately sell it. The intention is to buy it back later at a lower price, then return the asset to the source from which it was borrowed, keeping the profit. Shorting is a way to benefit from expected falling asset prices. To be positioned net short means to be invested in such a way that the overall portfolio seeks to benefit from declines in asset values. Normally, short selling involves the potential for unlimited loss. However, because our short positions are only established through mutual funds or ETF’s that hold short positions and not through direct short sales, there is not the risk of unlimited loss. Normally, our short positions represent only a small percentage of the overall portfolios.

## **Investment Philosophy**

Our investment philosophy centers on the lifestyle needs of each individual client. We do not chase returns and we do not time the market – ever. We believe each asset owned by a client should have a certain purpose that is identified before the investment is purchased. We believe that once an asset is purchased, it should be monitored, but unless something fundamental about the asset changes, or the life situation of the client changes, it should be left alone. We do not consider fluctuations in price alone to be a reason to buy or sell an asset, but rather the value of the asset in relation to its price.

We believe money is like soap – the more it is touched, the smaller it gets. So we take our time putting in place a strategy for each individual client and then we encourage them to stick to their strategy in good times and bad.

We believe that the majority of investor performance comes not from the assets they purchase, but from their behavior. We believe if a client lives within their means, has proper liquidity, is diversified, is prepared for the risks of life, and stays informed, that they can achieve strong performance by not participating in ludicrous buying and selling during times of volatility.

We work internally and with outside, third party managers to allow our clients to benefit from all types of markets and economic cycles. We focus on educating ourselves constantly, but rarely does something new impress us. We prefer tried and true methods.

## **Investment Strategies**

Our number one strategy is to take our time to develop a portfolio for our client that fits their needs. We spend as much time as the client needs to understand what they are doing, and then continuously follow up with the client to communicate and re-educate them on their investments, as frequently this is new information for them, and sometimes life gets in the way.

We see our clients as trees. The older they are, the more rings they have. In other words, the more financially mature our client is the more sophisticated their portfolio will likely be.

We design a portfolio with liquidity in mind. We want to ensure a client has enough immediate cash to handle cash flow needs and emergencies. We then look at the portfolio balancing the need for growth with the need for immediate asset liquidity.

We design a portfolio for diversification. While cash, bonds and stocks can all be part of that (including exchange traded funds (ETFs) and mutual funds), we also may look at other types of investments, such as REITS, leasing, land, banking, oil and gas options, commodities, and other alternatives. We consider personally held businesses, personally

held real estate, and other assets of the client part of their portfolio, even if we do not manage them directly.

We design a portfolio with tax considerations in mind, although we are not tax advisors. With every asset, there are tax implications at the purchase and/or at the time of sale. We are well aware of those issues and keep them in mind as we design a portfolio to maximize our clients after tax use of those assets as much as we can.

Finally, we keep cost in mind as we design a portfolio. We are well aware of what high fees can do to a portfolio over time. Our goal is to add value to our client's portfolio over time that you would not have gotten elsewhere or on your own. We find one of the easiest ways to do this is to keep fees reasonable. Wherever we can will negotiate fees on behalf of our clients.

### **Sub-Advisor Analysis**

We examine the experience, expertise, investment philosophies and past performance of independent sub-advisors in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the sub-advisor's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the sub-advisor's compliance and business enterprise risks.

A risk of investing with a sub-advisor who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a sub-advisor's portfolio, there is also a risk that a sub-advisor may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the sub-advisor's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

You are advised and are expected to understand that our past performance is not a guarantee of future results and that certain market and economic risks exist that may adversely affect an account's performance that could result in capital losses in your account.

### **Risks**

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.



Because of the inherent risk of loss associated with investing, we are unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated when investing in securities through The Planned Approach.

You should be aware that your account is subject to the following risks:

- **Stock Market Risk** – The value of securities in the portfolio will fluctuate and, as a result, the value may decline suddenly or over a sustained period of time.
- **Managed Portfolio Risk** – The manager's investment strategies or choice of specific securities may be unsuccessful and may cause the portfolio to incur losses.
- **Industry Risk** – The portfolio's investments could be concentrated within one industry or group of industries. Any factors detrimental to the performance of such industries will disproportionately impact your portfolio. Investments focused in a particular industry are subject to greater risk and are more greatly impacted by market volatility than less concentrated investments.
- **Non-U.S. Securities Risk** – Non-U.S. securities are subject to the risks of foreign currency fluctuations, generally higher volatility and lower liquidity than U.S. securities, less developed securities markets and economic systems and political and economic instability.
- **Emerging Markets Risk** – To the extent that your portfolio invests in issuers located in emerging markets, the risk may be heightened by political changes and changes in taxation or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.
- **Currency Risk** – The value of your portfolio's investments may fall as a result of changes in exchange rates.
- **Interest Rate Risk** – The value of fixed income securities rises or falls based on the underlying interest rate environment. If rates rise, the value of most fixed income securities could go down.
- **Credit Risk** – Most fixed income instruments are dependent on the underlying credit of the issuer. If we are wrong about the underlying financial strength of an issuer, we may purchase securities where the issuer is unable to meet its obligations. If this happens, your portfolio could sustain an unrealized or realized loss.
- **Inflation Risk** – Most fixed income instruments will sustain losses if inflation increases or the market anticipates increases in inflation. If we enter a period of moderate or heavy inflation, the value of your fixed income securities could go down.
- **ETF and Mutual Fund Risk** – When we invest in an ETF or mutual fund for a client, the client will bear additional expenses based on its pro rata share of the ETFs or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients may also incur brokerage costs when purchasing ETFs.

- Management Risk – Your investment with us varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.
- Options Risk - Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.

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**ITEM 9 - DISCIPLINARY INFORMATION**

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The Planned Approach does not have any legal, financial or other “disciplinary” item to report.

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

### **Other Business Activities**

IARs of The Planned Approach may act as agents appointed with various life, disability or other insurance companies, receive commissions, trails, or other compensation from the respective product sponsors and/or as a result of effecting insurance transactions for clients. However, clients should note that they are under no obligation to purchase any insurance products through The Planned Approach or its IAR.

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

The Planned Approach and persons associated with us are allowed to invest for their own accounts or have a financial interest in the same securities or other investments that we recommend or acquire for your account, and may engage in transactions that are the same as or different than transactions recommended to or made for your account. This creates a conflict of interest. We recognize the fiduciary responsibility to place your interests first and have established policies in this regard to avoid any potential conflicts of interest.

We have developed and implemented a Code of Ethics that sets forth standards of conduct expected of our advisory personnel to mitigate this conflict of interest. The Code of Ethics addresses, among other things, personal trading, gifts, the prohibition against the use of inside information and other situations where there is a possibility for conflicts of interest.

The Code of Ethics is designed to protect our clients by deterring misconduct, educate personnel regarding the firm's expectations and laws governing their conduct, remind personnel that they are in a position of trust and must act with complete propriety at all times, protect the reputation of The Planned Approach, guard against violation of the securities laws, and establish procedures for personnel to follow so that we may determine whether their personnel are complying with the firm's ethical principles.

We have established the following restrictions in order to ensure our firm's fiduciary responsibilities:

1. A director, officer or employee of The Planned Approach shall not buy or sell any securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No director, officer or employee of The Planned Approach shall prefer his or her own interest to that of the advisory client.
2. We maintain a list of all securities holdings for itself, and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer/individual of The Planned Approach.
3. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where we are granted discretionary authority of the client's account.
4. We emphasize the unrestricted right of the client to select and choose any broker-dealer (except in situations where we are granted discretionary authority) he or she wishes.
5. We require that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
6. Any individual not in observance of the above may be subject to termination.

You may request a complete copy of our Code by contacting us at the address, telephone or email on the cover page of this Part 2; attn: Chief Compliance Officer.

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## ITEM 12 - BROKERAGE PRACTICES

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We participate in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC/NFA. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions. We receive certain additional economic benefit "(Additional Services)" that may or may not be offered to any other independent investment Advisors participating in the program. Specifically, the Additional Services include eMoney and Orion. (Please see the disclosure under Client Referrals and Other Compensation, Item 14, below.)

TD Ameritrade provides the Additional Services to Advisor in its sole discretion and at its own expense, and Advisor does not pay any fees to TD Ameritrade for the Additional Services. Advisor and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

Advisor's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to Advisor, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, Advisor's Client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with Advisor, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, Advisor may have an incentive to recommend to its Clients that the assets under management by Advisor be held in custody with TD Ameritrade and to place transactions for Client accounts with TD Ameritrade. Advisor's receipt of Additional Services does not diminish its duty to act in the best interests of its Clients, including to seek best execution of trades for Client accounts.

In the event you request us to recommend a broker/dealer custodian for execution and/or custodial services, we generally recommend your account to be maintained at TD Ameritrade. We may recommend that you establish accounts with TD Ameritrade to maintain custody of your assets and to effect trades for your accounts. You are under no obligation to act upon any recommendations, and if you elect to act upon any recommendations, you are under no obligation to place the transactions through any broker/dealer we recommend. Our recommendation is generally based on the broker's cost and fees, skills, reputation, dependability and compatibility with the client. You may be able to obtain lower commissions and fees from other brokers and the value of products, research and services given to us is not a factor in determining the selection of broker/dealer or the reasonableness of their commissions.

We do not select or recommend broker/dealers based upon receiving client referrals from a broker/dealer or third party. We do not routinely recommend, request or require that

you direct us to execute transaction through a specified broker dealer. Additionally, we typically do not permit you to direct brokerage.

We place trades for your account subject to our duty to seek best execution and other fiduciary duties. We may use broker-dealers other than your custodian to execute trades for your account, but this practice may result in additional costs to you so that we are more likely to place trades through your custodian rather than other broker-dealers. Your custodian's execution quality may be different than other broker-dealers.

Additionally, we have outsourced our back-office tasks to ORION. These include tasks of daily database reconciliation, statement generation and delivery, and advisory fee filling. ORION'S system will provide us with customized reporting, GIPS-compliant composites, trade upload creation and pending trade follow-up for us to provide maintenance activities for your account.

We will aggregate trades for ourselves or our associated persons with your trades, providing that the following conditions are met:

1. Our policy for the aggregation of transactions shall be fully disclosed separately to our existing clients (if any) and the broker-dealer(s) through which such transactions will be placed;
2. We will not aggregate transactions unless we believe that aggregation is consistent with our duty to seek the best execution (which includes the duty to seek best price) for you and is consistent with the terms of our investment advisory agreement with you for which trades are being aggregated.
3. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all our transactions in a given security on a given business day, with transaction costs based on each client's participation in the transaction;
4. We will prepare a written statement ("Allocation Statement") specifying the participating client accounts and how to allocate the order among those clients;
5. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the allocation statement; if the order is partially filled, the accounts that did not receive the previous trade's positions should be "first in line" to receive the next allocation.
6. Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment and the reason for difference of allocation is explained in writing and is reviewed by our compliance officer. Our books and records will separately reflect, for each client account, the orders of which aggregated, the securities held by, and bought for that account.
7. We will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation; and
8. Individual advice and treatment will be accorded to each advisory client.



As a matter of policy and practice, we do not utilize research, research-related products and other services obtained from broker-dealers, or third parties, on a soft dollar commission basis.

### Trade Errors

We have implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and we will absorb any loss resulting from the trade error if the error was caused by the firm. If the error is caused by the broker-dealer, the broker-dealer will be responsible for covering all trade error costs. If an investment gain results from the correcting trade, the gain will be donated to charity. We will never benefit or profit from trade errors.

## ITEM 13 - REVIEW OF ACCOUNTS

### Account Reviews and Reviewers – Investment Supervisory Services

The underlying securities within the investment supervisory services are regularly monitored. These reviews will be made by Stephanie Guerin and Kelly Hokanson. An annual review is usually conducted in person or by telephone.

The purpose of all these reviews is to ensure that the investment plan continues to be implemented in a manner which matches your objectives and risk tolerances. More frequent reviews may be triggered by material changes in variables such as your individual circumstances, or the market, political or economic environment. You are urged to notify us of any changes in your personal circumstances.

### Statements and Reports

Through an agreement with ORION Advisor Services, Inc., The Planned Approach will have the ability to provide clients with Performance/Position summary reports upon request. Reports may also be provided at every client meeting. Communication to clients will be done on an as needed basis with a minimum of 1 contact per calendar quarter.

The custodian for the individual client's account, TD Ameritrade, will also provide clients with an account statement at least quarterly.

**You are urged to compare the reports provided by The Planned Approach against the account statements you receive directly from your account custodian.**

Financial Planning/Consulting clients (i.e. those who have no assets under management with us in our advisory program) will receive no regular reports from the Firm.

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

As disclosed under Brokerage Practices, we participate in TD Ameritrade's institutional customer program and we may recommend TD Ameritrade to you for custody and brokerage services. There is no direct link between our participation in the program and the investment advice we give to our clients, although we receive economic benefits through our participation in the program that are typically not available to any other independent Investment Advisors participating in the program. . These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by some of our related persons. Some of the products and services made available by TD Ameritrade through the program may benefit us but may not benefit your account. These products or services may assist us in managing and administering your account, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by The Planned Approach or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to clients, we endeavor at all times to put the interests of our clients first. You should be aware, however, that the receipt of economic benefits by The Planned Approach or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

From time to time, we may receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made.

IARs endeavor at all times to put the interest of our clients first as a part of their fiduciary duty. However, you should be aware that the receipt of additional compensation through

expense reimbursements creates a conflict of interest that may impact the judgment of the IARs when making advisory recommendations.

We have established relationships with other investment advisors through which we act as a solicitor referring you to the other investment advisors management programs. When acting in this solicitor/referral capacity, we will receive a portion of the fee paid to the other investment advisors by you.

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**ITEM 15 - CUSTODY**

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Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented.

The Planned Approach is deemed to have custody of client funds and securities whenever The Planned Approach is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody The Planned Approach will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which The Planned Approach is deemed to have custody, the firm has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from The Planned Approach. When clients have questions about their account statements, they should contact The Planned Approach or the qualified custodian preparing the statement.

When fees are deducted from an account, The Planned Approach is responsible for calculating the fee and delivering instructions to the custodian. At the same time The Planned Approach instructs the custodian to deduct fees from the client's account; The Planned Approach will send the client an invoice itemizing the fee. Itemization shall include the formula used to calculate the fee, the amount of assets under management the fee is based on, and the time period covered by the fee.

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## ITEM 16 - INVESTMENT DISCRETION

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Prior to engaging The Planned Approach to provide investment advisory services, clients enter into a written Agreement with The Planned Approach granting the firm the authority to supervise and direct, on an on-going basis, investments- in accordance with the client's investment objective and guidelines. Clients will also execute any and all documents required by the Custodian so as to authorize and enable The Planned Approach, in its sole discretion, without prior consultation with or ratification by you, to purchase, sell or exchange securities in and for your account. We are authorized, in our discretion and without prior consultation with you to: (1) buy, sell, exchange and trade any investment company registered under the Investment Company Act of 1940 and (2) determine the amount of securities to be bought or sold and (3) place orders with the custodian. Any limitations to such authority will be communicated by you to us in writing.

The limitations on investment and brokerage discretion held by The Planned Approach for you are:

1. For discretionary clients, we require that it be provided with authority to determine which securities and the amounts of securities to be bought or sold, as well as the broker-dealer to be used and the commission rates to be paid.
2. Any limitations on this discretionary authority shall be included in this written authority statement. You may change/amend these limitations as required. Such amendments shall be submitted in writing.

In some instance, we may not have discretion. We will discuss all transactions with you prior to execution.

Research products and services received by us from broker-dealers will be used to provide services to all our clients.

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**ITEM 17 - VOTING YOUR SECURITIES**

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We will not vote proxies under its limited discretionary authority. You are welcome to vote proxies or designate an independent third-party at your own discretion. You designate proxy voting authority in the custodial account documents. You must ensure that proxy materials are sent directly to you or your assigned third party. We do not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies.

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**ITEM 18 - FINANCIAL INFORMATION**

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This item is not applicable to this brochure. We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, we have not been the subject of a bankruptcy petition at any time.