

ADV Part 2A, Firm Brochure

Item 1 COVER PAGE



FINANCIAL PERSPECTIVES

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Brochure Date: March 21, 2017

This Brochure provides information about the qualifications and business practices of Financial Perspectives, Inc. If you have any questions about the contents of this Brochure, please contact us at 877-553-7780 or compliance@fpwealth.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 regulatory authority.

Additional information about Financial Perspectives, Inc. also is available at www.adviserinfo.sec.gov.

References herein to Financial Perspectives, Inc. as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.

Item 2 MATERIAL CHANGES

This section will be updated annually and will address specific material changes that have been incorporated since our last delivery of posting of our Brochure and provide clients with a summary of such changes. A copy of our most current Brochure is always available by contacting us at 763-553-7779 or from our website at www.fpwealth.com.

Item 4 – FP’s regulatory assets under management has changed since our last filing.

Item 4 – Retirement Rollovers section

Item 5 – Removal of CMG as an Independent Manager

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Item 4 ADVISORY BUSINESS

DESCRIPTION OF ADVISORY FIRM

Financial Perspectives, Inc. (also referred to as “FP”, us, we, our and “Investment Adviser” through this Brochure) is a corporation formed under the laws of the State of Minnesota. FP was registered with the SEC from 1986 to 2005; state-registered from 2005 to early 2015, and is currently a registered investment adviser with the United States Securities and Exchange Commission. The principal owner & President is Daniel J. Dugan. Please refer to the ADV Part 2B Brochure Supplement for additional information on the education and business backgrounds for the President, other officers, FP’s Investment Adviser Representatives (“IAR”) and Client Service Representatives (“CSR” or “Financial Planner”).

We offer personalized services including: Investment Advisory, Financial Planning, Retirement Plan Consulting, Aggregation Services, and Independent Managers services.

DESCRIPTION OF ADVISORY SERVICES AND TAILORING TO INDIVIDUAL NEEDS OF CLIENTS

The following are descriptions of our primary services:

Investment Advisory Services

FP offers Investment Advisory Services, providing clients with ongoing management over client accounts. Before engaging FP to provide Investment Advisory Services, clients are required to enter into an Investment Advisory Agreement with FP setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the fee that is due from the client. We then begin the arrangement with an initial interview and data-gathering process to determine the client’s individual needs, investment objectives, and risk tolerance. For individual clients, advisory services will often occur at a household

level and based on the information provided by the client. FP will tailor its Investment Advisory Services to the client's particular need by making investment recommendations consistent with the designated goals and objectives, and identifying a mix of investments for a diversified portfolio. The client may, at any time, impose reasonable restrictions in writing, relative to investing in certain securities or types of securities. Clients should understand that the imposition of portfolio restrictions may affect performance of the affected portfolio(s), either positively or negatively.

Investment Advisory Services, when appropriate, may include the acceptance of a transfer-in-kind of securities for purposes of liquidation and reallocation and may also accept a transfer-in-kind of securities to be held as a part of the client's overall portfolio.

Investment Advisory Services also include periodic monitoring and review of portfolio assets by FP. Such reviews are performed by your IAR and/or CSR at times they deem appropriate to determine if investment options in the portfolio continue to match your goals and investment objectives. If changes to the mix of investments are recommended, FP will complete the changes according to the trading authority as granted by the Investment Advisory Agreement (see Item 16 of this Brochure for more information regarding Investment Discretion).

Clients should also note that while Investment Advisory Services are provided with the intention of clients implementing services through FP or through our IARs, clients are not required to do so. Clients have the option to purchase investment products that FP recommends through other brokers or agents not affiliated with FP.

Financial Planning Services

FP may offer Financial Planning Services, which do not involve ongoing management of client accounts, but rather focus on a client's overall financial situation. The Financial Planning Agreement between the client and FP sets forth the terms and conditions of the engagement (including termination), describes the scope of the services to be provided, whether the services will include advice and/or a written financial plan, and the portion of the fee that is due from the client prior to FP commencing services.

FP may also provide advice regarding estate planning, tax planning, insurance, etc. Neither FP nor any of its IARs serve as an attorney or accountant under an FP agreement, and no portion of FP's services should be construed to offer such services. To the extent requested by a client, FP may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, other insurance, etc.) including representatives of FP in their separate capacities as registered representatives of a broker-dealer, accounting firm, and/or licensed insurance agents (see Conflict of Interest disclosures in Item 5 and Item 10). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from FP. Note: If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. It remains the client's responsibility to promptly notify us if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

Retirement Plan Consulting Services

FP also offers Retirement Plan Consulting Services. These services include assisting sponsors of self-directed retirement plans in various ways, including but not limited to, the selection and/or monitoring of investment alternatives (generally open-end mutual funds) from which plan participants choose in self-directing the investment for their individual retirement plan accounts. In addition, to the extent requested by the plan sponsor and/or under certain arrangements, FP will also provide specific investment advice to plan participants regarding plan assets. The terms and conditions of these services will be set forth in the Retirement Plan Consulting Agreement between FP and the plan sponsor.

FP will act as a fiduciary to the retirement plan only to the extent of FP's provision of services and not as a retirement plan administrator or in any other capacity. FP will not act as a named fiduciary to a retirement plan. FP acknowledges that certain services that it may perform may constitute investment advice to the retirement plan for compensation and, as a consequence, FP may be deemed a fiduciary as such term is defined under Section 3(21)(A)(ii) of Employee Retirement Income Security Act of 1974 ("ERISA"). FP will act in a manner consistent with the requirements of a fiduciary under ERISA if, based upon the facts and circumstances, such services cause FP to be a fiduciary as a matter of law. Unless stated otherwise in the agreement, the parties will agree that FP (a) has no responsibility and will not (i) exercise any discretionary authority or discretionary control respecting management or disposition of assets of the retirement plan, (ii) exercise any authority or control respecting management or disposition of assets of the retirement plan, or (iii) have any discretionary authority or discretionary responsibility in the administration of the retirement plan or the interpretation of the Retirement plan documents, (b) is not an "investment manager" as defined in Section 3(38) of ERISA and does

not have the power to manage, acquire or dispose of any retirement plan assets, and (c) is not the "Administrator" of the Retirement plan as defined in ERISA. The plan sponsor also acknowledges its status as a "named fiduciary" with respect to the control and management of the assets held in the Account, and agrees to notify FP promptly of any change in the identity of the named fiduciary with respect to the Account. The plan sponsor will acknowledge in an executed agreement that the retirement plan account is only a part of the retirement plan's assets, and that FP is not responsible for overall compliance of such investments with the requirements of ERISA or any other governing law or documents.

It is the Plan Sponsor's responsibility to provide FP, through Service Provider, with a copy of the Plan document, its accompanying trust agreement, the summary plan description, and any amendments to the Plan document or trust agreement promptly after adoption. Plan Sponsor will provide FP, through Service Provider, such information about the Plan as FP reasonably may request, including without limitation, the amount and frequency of Participant and Plan Sponsor contributions, and contribution/withdrawal rules and restrictions.

The Plan Sponsor must obtain and maintain for the term of this agreement appropriate ERISA bond coverage that satisfy the requirements of Section 412 of ERISA, which must include coverage for FP and its IARs, and any of their respective officers, directors, and employees, whose inclusion is required by law. It is the Plan Sponsor's responsibility to provide evidence of the bond to FP upon execution of an agreement.

Account Aggregation Services

FP, in conjunction with the services provided by ByAllAccounts, Inc., may also provide periodic comprehensive reporting services which can incorporate all of the client's assets, including those investment assets that are not part of the assets managed by FP ("Excluded Assets"). The client and/or his/her/its other advisers that maintain trading authority, and not FP, shall be exclusively responsible for the investment performance of the Excluded Assets. FP's service relative to the Excluded Assets is limited to reporting and non-discretionary consulting services only, which does not include investment implementation.

Clients may also establish and hold Individual-Directed Accounts ("IDA") at Fidelity Clearing & Custody Solutions. In some cases, the client will have an advisory account(s) managed by FP and an IDA. The IDAs are Excluded Assets. The client, not FP, will maintain trading authority, and shall be exclusively responsible for the investment performance of the Excluded Assets. FP's service relative to the Excluded Assets is limited to reporting and non-discretionary consulting services only, which does not include investment implementation. Clients place trades themselves on Account View, existing Fidelity Retail electronic channels (Fidelity.com®, FAST®, or wireless devices), or through a dedicated team of Fidelity phone representatives.

FP does not have trading authority for the Excluded Assets. As such, to the extent applicable to the nature of the Excluded Assets (assets over which the client maintains trading authority vs. trading authority designated to the client or another investment professional), the client (and/or the other investment professional), and not FP, shall be exclusively responsible for directly implementing any recommendations relative to the Excluded Assets. FP shall not be responsible for any implementation error (timing, trading, etc.) relative to the Excluded Assets. In the event the client desires that FP provide advisory services (whereby FP would have trading authority) with respect to the Excluded Assets, the client may engage FP to do so pursuant to the terms and conditions of the applicable client agreement between FP and the client.

Independent Managers

For those clients that require an enhanced and/or specialized level of investment management services, FP may also recommend that certain clients authorize FP to allocate the active discretionary management of a portion of their assets by and/or among certain independent investment manager(s) to be selected by FP (the "Independent Manager(s)"), based upon the stated investment objectives of the client. FP will continue to render ongoing and continuous advisory services to the client relative to the monitoring and review of account performance, client investment objectives, and asset allocation, for which FP shall receive an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated Independent Manager(s). Factors which FP will consider in recommending Independent Manager(s) include the client's stated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated Independent Manager(s), together with the fees charged by the corresponding designated broker-dealer/custodian of the client's assets, are exclusive of, and in addition to, FP's ongoing investment advisory fee. Please refer to Item 5 below with respect to the fees clients will incur relative to Independent Manager allocation.

MISCELLANEOUS DISCLOSURES

Client Obligations

In performing its services, FP shall not be required to verify any information received from the client or from the client's other designated professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify FP if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising FP's previous recommendations and/or services.

Investment Risk

Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by FP) will be profitable or equal any specific performance level(s).

Non-Discretionary Service Limitations

Clients that determine to engage FP on a non-discretionary investment advisory basis must be willing to accept that FP cannot effect any account transactions without obtaining prior consent to any such transaction(s) from the client. Thus, in the event that FP would like to make a transaction for a client's account, and client is unavailable, FP will be unable to effect the account transaction (as it would for its discretionary clients) without first obtaining the client's consent.

Retirement Rollovers-Potential for Conflict of Interest

A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in his/her former employer's plan, if permitted, (ii) roll over the assets the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If FP recommends that a client roll over their retirement plan assets into an account to be managed by FP, such a recommendation creates a **conflict of interest** if FP will earn an advisory fee on the rolled over assets. **No client is under any obligation to roll over retirement plan assets to an account managed by FP. FP's Chief Compliance Officer, Nicole Wilken, remains available to address any questions that a client or prospective client may have regarding the potential for conflict of interest presented by such rollover recommendation.**

Use of Mutual Funds

While FP may recommend allocating investment assets to mutual funds that are not available directly to the public, FP may also recommend that clients allocate investment assets to publically-available mutual funds that he/she/it could obtain without engaging FP as an investment adviser. However, if a client or prospective client determines to allocate investment assets to publically-available mutual funds without engaging FP as an investment adviser, he/she/it would not receive the benefit of FP's initial and ongoing Investment Advisory Services.

12b-1 Compensation

Certain mutual funds or variable annuities pay marketing and/or distribution fees to broker-dealers. Although not a material consideration when determining the products to be utilized to manage a client's portfolio, if a mutual fund or variable annuity that is part of a client's portfolio pays 12b-1 compensation, Purshe Kaplan Sterling Investments, as a broker-dealer, and FP's representatives, in their separate and individual capacities as registered representatives of Purshe Kaplan Sterling Investments, will also receive ongoing 12b-1 trailing commission compensation directly from the product company during the period that the client maintains the mutual fund or variable annuity investment. The receipt of 12b-1 compensation presents a **conflict of interest**. The 12b-1 compensation is in addition to FP's investment advisory fee. **FP's Chief Compliance Officer, Nicole Wilken, remains available to address any questions that a client or prospective client may have regarding this conflict of interest.**

WRAP FEE PROGRAM

FP does not provide portfolio management services as part of a wrap fee program.

CLIENT ASSETS UNDER MANAGEMENT

As of March 21, 2017, FP maintained \$523,730,460 in regulatory assets under management on a discretionary basis. It also maintains \$79,042,355 on a non-discretionary basis.

Item 5 FEES AND COMPENSATION

FEE SCHEDULE AND COMPENSATION

Investment Advisory Fees

Investment Advisory fees are generally determined as a percentage of assets under management. Fees are calculated and payable quarterly, in arrears. Account values for fee calculation purposes are determined on the last day of the quarter. The initial fee may be pro-rated based on the date that the assets came into the portfolio. The exact fee and assets charged will be specified on the Schedule A of the Investment Advisory Agreement. Investment advisory fees generally adhere to the following fee schedule:

<u>Portfolio Size</u>	<u>Annual Fee</u>	<u>Quarterly Fee</u>
First \$999,999	1.20%	.30%
\$1,000,000 to \$2,999,999	1.00%	.25%
\$3,000,000 to \$4,999,999	0.75%	.1875%
\$5,000,000 to \$10,000,000	0.50%	.125%
Over \$10,000,000	Negotiable	Negotiable

Investment Advisory fees are negotiable based upon, but not limited to the following factors: the client's amount of assets under management, the client's financial background and circumstances, the complexity of the client's situation, anticipated future earning capacity, anticipated future additional assets, related accounts, overall account compensation, pre-existing client relationship, account retention, or pro bono activities. Fees paid to FP for its services may vary from client to client for similar services. FP believes its fees are reasonable in relation to the services provided, and the fees charged by other investment advisers offering similar services/programs. FP's annual advisory fee may be higher or lower than that charged by other investment advisers offering similar services/programs.

A flat-rate annual fee percentage may also be used. These fee rates are negotiated in advance with each client, and represented in the Schedule A of the Investment Advisory Agreement.

FP's default is to deduct, or directly debit, the advisory fee directly from client accounts. Clients must provide written authorization to have fees deducted directly from the account and paid to FP in the Investment Advisory Agreement. The custodian will deduct the fee and send statements, at least quarterly, showing all activity for the account including the amount of advisor fees deducted. FP will send fee notifications quarterly, including the market value, fee percentage, and the calculation of the fee. Fees are not verified by the qualified custodian as it is the client's responsibility to verify the accuracy. Clients may have the option to debit fees from an alternate advisory account to pay for fees for another advisory account as agreed upon and indicated on Schedule A of the Investment Advisory Agreement. The investment advisory fee will be payable from the liquidation or withdrawal of the client's shares of any money market fund or balances in any money market account. FP may, in its sole discretion, liquidate at any time a portion or all of the other assets, including individual securities in the client's account(s) to cover advisory fees owed.

Some assets or security types may be excluded from the advisory fee agreed to by clients and their IAR. At an agreed-upon point in the future, the assets may be included in the calculation of advisory fees (i.e., when sufficient time has passed to offset the initial or deferred sales charge already paid).

Clients should also note that while Investment Advisory Services are provided with the intention of clients implementing services through FP, clients are not required to do so. Clients have the sole responsibility for determining whether to implement our recommendations. Clients have the option to purchase investment products that FP recommends through other brokers or agents not affiliated with FP.

Financial Planning Fees

Financial Planning fees are negotiable, and may be charged on an hourly or fixed fee basis. Once determined, the exact fee arrangement will be specified in the Financial Planning Agreement between the client and FP, which also sets forth the terms and conditions of the engagement (including termination) and a description of the scope of the services to be provided, and the portion of the fee that is due from the client prior to FP commencing services.

Hourly fees. Hourly rates are \$175 per hour. Clients will be sent an invoice, billed in arrears. The fee is due and payable upon completion of the written financial plan and/or completion of agreed-upon consulting services.

Fixed fees. Fixed fees are negotiable, which are typically determined by estimating the number of hours to be spent preparing the plan and then quoting a fixed price. If additional work is requested that goes beyond the original scope of the planning, it may be billed on an hourly or fixed basis as negotiated, depending upon the complexity of the client’s financial situation. Clients are sent an invoice, billed in arrears. The fee is due and payable upon completion of the written financial plan and/or completion of agreed-upon consulting services.

Total costs, whether per hour or on a fixed basis, may range from \$175 to as much as \$25,000 or more. There is no “typical” plan or limit on advice, as services are customized to the particular needs of the client; thus, there is a wide range of fees that may be imposed.

Retirement Plan Consulting Fees

Retirement plan consulting fees are negotiable, and may be charged on an hourly or fixed fee basis. Once determined, the exact fee arrangement will be specified in the Retirement Plan Consulting Agreement between the client and FP, which also sets forth the terms and conditions of the engagement (including termination) and describes the scope of the services to be provided.

Hourly fees. Hourly rates are \$175 per hour. Clients will be sent an invoice, billed in arrears. The fee is due and payable upon completion of the written financial plan and/or completion of agreed-upon consulting services.

Fixed fees. Fees are typically determined by estimating the number of hours to be spent preparing the plan and then quoting a fixed price. If additional work is requested that goes beyond the original scope of the planning, it may be billed on an hourly or fixed basis as negotiated, depending upon the complexity of the client’s financial situation. Clients are sent an invoice, billed in arrears. The fee is due and payable upon completion of the written financial plan and/or completion of agreed-upon consulting services.

Total costs, whether per hour or on a fixed basis, may range from \$175 to as much as \$25,000 or more. There is no “typical” plan or limit on advice, as services are customized to the particular needs of the client; thus, there is a wide range of fees that may be imposed.

Account Aggregation Services

FP does not charge fees for services provided by ByAllAccounts, Inc. We consider this a value-added service for our advisory clients.

Independent Managers

FP offers a variety of third-party money manager programs. Under these programs, a third-party asset manager manages the client’s account. A description of the programs and associated fees are detailed below.

SEI Investments

FP participates in the Asset Allocation Program sponsored by SEI Investments Management Corporation (“SEI”). To participate in the program, FP, SEI, and each client execute a three-party agreement. In this agreement, the client appoints FP as its Investment Adviser to assist the client in selecting an SEI asset allocation strategy. The client appoints SEI to manage the assets in accordance with a strategy selected by the client together with FP. SEI may delegate its responsibility for selecting particular securities to one or more portfolio managers.

The exact fee and assets charged will be specified on the Schedule A of the Investment Advisory Agreement. Investment advisory fees for assets allocated to the SEI Asset Allocation Program generally adhere to the following fee schedule:

<u>Portfolio Size</u>	<u>Annual Fee</u>	<u>Quarterly Fee</u>
First \$999,999	1.20%	.30%

\$1,000,000 to \$2,999,999	1.00%	.25%
\$3,000,000 to \$4,999,999	0.75%	.1875%
\$5,000,000 to \$10,000,000	0.50%	.125%
Over \$10,000,000	Negotiable	

The above fees are negotiable based upon, but not limited to the following factors: the client's amount of assets under management, the client's financial background and circumstances, the complexity of the client's situation, anticipated future earning capacity, anticipated future additional assets, related accounts, overall account compensation, pre-existing client relationship, account retention, or pro bono activities. Fees paid to FP for its services may vary from client to client for similar services. FP believes its fees are reasonable in relation to the services provided, and the fees charged by other investment advisers offering similar services/programs. FP's annual advisory fee may be higher or lower than that charged by other investment advisers offering similar services/programs.

A flat-rate annual fee percentage may also be used. These fee rates are negotiated in advance with each client, and represented in the Schedule A of the Investment Advisory Agreement. Clients may also pay custody fees to SEI Private Trust Company ("SPTC") when SPTC has custody of their assets. These fees will vary depending on the account balance and trade activity in the account. Clients can refer to their account application for specific information on SPTC custody fees. SEI investment advisory fees are calculated as a percentage of the market value of the client's account assets. The fees are calculated and payable quarterly in arrears and net of any income, withholding or other taxes. SPTC debits the client's account on a quarterly basis for all of the above mentioned fees and charges. The charges to the account are calculated and debited in arrears and are remitted quarterly net of any applicable account and performance reporting charges not charged to the customer.

Upon written notification, the SEI Managed Account Agreement may be terminated by either FP or the client. Prorated fees will be charged based on market value on the date the termination notice is received. All fee arrangements are subject to negotiation and possible modification. Clients receive monthly statements from SPTC indicating holdings, market value, cash flows, gains and losses, asset allocation, and performance.

Other Fees and Expenses

FP's fees are exclusive of and in addition to brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as fees charged by managers, custodial fees, deferred sales charges, asset-based distribution fees (12b-1's), surrender charges, odd-lot differentials, wire transfer and electronic fund transaction fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchanged traded funds, for example, also charge internal management fees, which are disclosed in the prospectus. Each custodian has different account fees, execution charges, and execution capabilities. Clients using the custodian selected may pay higher account-related fees and execution charges than another custodian.

TERMINATION

Clients may terminate Investment Advisory Services obtained from FP, without penalty, upon verbal or written notice within five (5) business days after entering into the applicable client agreement with FP. The client will, however, be responsible for any fees and charges incurred from third parties as a result of maintaining the account, such as transaction fees for any securities transactions executed and account maintenance or custodial fees.

Thereafter, FP or the client may terminate Investment Advisory Services with verbal or written notice to the other party. If investment services are terminated during a quarter, the client will be charged a pro-rated advisory fee for the quarter up to the date the assets are transferred out, or as otherwise decided between FP or the Advisory Representative and the client.

SECURITIES COMMISSION TRANSACTIONS

In the event that the client desires, the client can engage FP's representatives, in their individual capacities, as registered representatives of Purshe Kaplan Sterling Investments, an SEC-registered and FINRA/SIPC member broker-dealer ("PKS") to implement investment recommendations on a commission basis. FP and PKS are not affiliated. In the event the client chooses to purchase investment products through PKS, PKS will charge brokerage commissions to effect securities transactions, a portion of which commissions PKS shall pay to FP's representatives in their separate and individual capacities, as applicable. The brokerage commissions charged by PKS may be higher or lower than those charged by other broker-dealers. In addition, PKS, as well as FP's Representatives,

relative to commission mutual fund purchases, may also receive additional ongoing 12b-1 trailing commission compensation directly from the mutual fund company during the period that the client maintains the mutual fund investment. FP's representatives may also receive commissions on new variable annuity purchases.

Conflict of Interest: The recommendation that a client purchase a commission product from PKS presents a **conflict of interest**, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from FP's representatives. **FP's Chief Compliance Officer, Nicole Wilken, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

Please Note: Clients may purchase investment products recommended by FP through other, non-affiliated broker dealers or agents.

FP does not receive more than 50% of its revenue from advisory clients as a result of commissions or other compensation for the sale of investment products FP recommends to its clients.

When FP's representatives sell an investment product on a commission basis, FP does not charge an advisory fee in addition to the commissions paid by the client for such product. The commissions may include mutual fund sales loads, 12b-1 fees and surrender charges, and variable annuity commissions. When providing services on an advisory fee basis, FP's representatives do not also receive commission compensation for such advisory services (except for any ongoing 12b-1 trailing commission compensation that may be received as previously discussed). However, a client may engage FP to provide investment management services on an investment advisory fee basis and separate from such advisory services purchase an investment product from FP's representatives on a separate commission basis. Conflicts of interest and fees are disclosed on the broker-dealer attestation forms. FP may offer "no-load" mutual funds as an alternative recommendation.

Item 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

FP does not charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the client's assets).

Item 7 TYPES OF CLIENTS

FP provides investment advice to individuals, trusts, estates, high net worth individuals, ultra-high net worth individuals, businesses, profit sharing plans, and charitable organizations and foundations.

FP does not impose minimum client net worth or account size for the purpose of initiating or maintaining a client relationship, due to the varied circumstances surrounding each client situation. From a practical and ethical standpoint, however, a client must have sufficient assets to reasonably warrant and expect to benefit from the initial or sustained utilization of our services.

Third-party money managers may impose minimum account sizes, depending on the investment strategy chosen. Please refer to the detail in the applicable managers' account agreement.

All clients are required to execute an agreement for services in order to establish an arrangement with FP.

Item 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

FP provides advice to clients as to securities on a broad basis typical to traditional financial planning. General recommendations will be made to the client regarding the client's financial situation designed to guide the client toward the client's expressed financial goals. FP's typical recommendations may be that the client should diversify investment assets because the client has a concentration of investment in one security or that the client should diversify the maturities of fixed income to lessen interest rate risk. FP's analysis of the client's situation will be presented in an organized form. It should be noted that investing in securities involves risk of loss that clients should be prepared to bear.

FP's sources of information may include financial newspapers, trade journals and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, materials from seminars, annual reports, prospectuses, filings with regulatory bodies, company press releases.

Investment strategies used to implement any investment advice given to clients may include: long term purchases (at least a year), short term purchases (sold within a year), margin transactions, option writing, including covered options or uncovered options. FP primarily recommends mutual funds. A fund's investment objective and its holdings are influential factors in determining how risky a fund is. Reading the prospectus will help to understand the risk associated with a recommended fund.

MATERIAL RISKS OF MUTUAL FUNDS

Mutual funds fall into one of three main categories – money market funds, bond funds (also called “fixed income” funds), and stock funds (also called “equity funds”), each with different features, risks, and rewards. Generally, the higher the potential return, the higher the risk of loss.

Money Market Funds

Money market funds have relatively low risks, compared to other mutual funds (and most other investments). By law, they can invest in only certain high-quality, short-term investments issued by the U.S. government, U.S. corporations, and state and local governments. Money market funds try to keep their net asset value (NAV) — which represents the value of one share in a fund — at a stable \$1.00 per share. But the NAV may fall below \$1.00 if the fund's investments perform poorly. Investor losses have been rare, but they are possible. Money market funds pay dividends that generally reflect short-term interest rates, and historically the returns for money market funds have been lower than for either bond or stock funds. That's why "inflation risk" — the risk that inflation will outpace and erode investment returns over time — can be a potential concern for investors in money market funds.

Bond Funds

Bond funds generally have higher risks than money market funds, largely because they typically pursue strategies aimed at producing higher yields. Unlike money market funds, rules do not restrict bond funds to high-quality or short-term investments. Because there are many different types of bonds, bond funds can vary dramatically in their risks and rewards. Some of the risks associated with bond funds include:

- **Credit Risk** — the possibility that companies or other issuers whose bonds are owned by the fund may fail to pay their debts (including the debt owed to holders of bonds). Credit risk is less of a factor for bond funds that invest in insured bonds or U.S. Treasury bonds. By contrast, those that invest in the bonds of companies with poor credit ratings generally will be subject to higher risk.
- **Interest Rate Risk** — the risk that the market value of the bonds will go down when interest rates go up. Because of this, you can lose money in any bond fund, including those that invest only in insured bonds or Treasury bonds. Funds that invest in longer-term bonds tend to have higher interest rate risk.
- **Prepayment Risk** — the chance that a bond will be paid off early. For example, if interest rates fall, a bond issuer may decide to pay off (or "retire") its debt and issue new bonds that pay a lower rate. When this happens, the fund may not be able to reinvest the proceeds in an investment with as high a return or yield.

Stock Funds

Although a stock fund's value can rise and fall quickly (and dramatically) over the short term, historically stocks have performed better over the long term than other types of investments — including corporate bonds, government bonds, and treasury securities.

Overall "market risk" poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad range of reasons — such as the overall strength of the economy or demand for particular products or services. Types include:

- **Growth Funds** — focus on stocks that may not pay a regular dividend but have the potential for large capital gains.
- **Income funds** — invest in stocks that pay regular dividends.
- **Index funds** — aim to achieve the same return as a particular market index, such as the S&P 500 Composite Stock Price Index, by investing in all — or perhaps a representative sample — of the companies included in an index.
- **Sector funds** — may specialize in a particular industry segment, such as technology or consumer products stocks.

Item 9 DISCIPLINARY INFORMATION

FP and its management persons have not been subject to any disciplinary actions.

Item 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

REGISTERED REPRESENTATIVES OF PKS

As disclosed above, certain of FP's IARs are, in their separate and individual capacities, also registered representatives of Purshe Kaplan Sterling Investments, an SEC-registered and FINRA/SIPC member broker-dealer ("PKS").

FUTURES COMMISSION MERCHANT, COMMODITY POOL OPERATOR, OR COMMODITY TRADING ADVISER

FP does not have any management persons that are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser, or an associated person of the foregoing entities.

REGISTERED REPRESENTATIVES OF A BROKER-DEALER

As disclosed above in Item 5, certain of FP's IARs are, in their separate and individual capacities, also registered representatives of PKS. Clients can therefore choose to engage such representatives in their separate and individual capacities to effect securities brokerage transactions on a commission basis.

Conflict of Interest. The recommendation by FP's representatives that a client purchase a securities commission product presents a **conflict of interest**, as the receipt of commissions may provide an incentive to recommend investment products based on commissions received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from FP's representatives. Clients are reminded that they may purchase investment products recommended by FP's representatives through other, non-affiliated registered representatives. **FP's Chief Compliance Officer, Nicole Wilken, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

ACCOUNTANT OR ACCOUNTING FIRM

FP's affiliate, FP Tax & Accounting, LLC (DBA "Dugan & Co." or "Dugan & Company"), provides tax preparation and accounting services. Dugan & Company is organized as an LLC; ownership is split equally between Daniel J Dugan, David W Dugan, and Luke M Dugan. Approximately 20% of the owners' time is spent on tax preparation and accounting. Such services are separate from advisory services provided by FP. FP's supervised persons may assist with the tax preparation services. Clients electing to contract for tax preparation or accounting services will enter into a separate engagement agreement and pay separate fees to Dugan & Company. FP's clients are not required to use the services of Dugan & Company; rather it is a value-added service to our clients.

Conflict of Interest. The recommendation by FP's representatives that a client engage Dugan & Company or its representatives to provide accounting services presents a **conflict of interest**, as FP's representatives could have the incentive to make such a recommendation based on accounting fees received, rather than on a particular client's need. No client is under any obligation to engage Dugan & Company or its representatives in such a capacity and clients are reminded that they may engage other non-affiliated firms or accountants to receive accounting services. **FP's Chief Compliance Officer, Nicole Wilken, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

LICENSED INSURANCE AGENTS

Certain of FP's IARs, in their separate and individual capacities, are licensed insurance agents who may recommend the purchase of certain insurance-related products on a commission basis. Therefore, as referenced in Item 4 above, clients can engage these individuals in their separate capacities to effect insurance transactions on a commission basis.

Conflict of Interest. The recommendation by FP's representatives that a client purchase an insurance commission product presents a **conflict of interest**, as the receipt of commissions may provide an incentive to recommend insurance commission products based on commissions received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from FP's representatives. Clients are reminded that they may purchase insurance products recommended by FP through other, non-

affiliated insurance agents. **FP's Chief Compliance Officer, Nicole Wilken, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

Item 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS, AND PERSONAL TRADING

CODE OF ETHICS

Section 204A-1 of the Investment Advisers Act of 1940 requires all Investment Advisers to establish, maintain, and enforce a Code of Ethics. FP has established a Code of Ethics that will apply to all of its supervised persons. As a fiduciary, it is FP's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. This fiduciary duty is considered the core underlying principle for FP's Code of Ethics which also covers its Insider Trading and Personal Securities Transactions Policies and Procedures. FP requires all of its IARs to conduct business with the highest level of ethical standards and to comply with federal securities laws at all times. Upon employment or affiliation, and annually, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with FP's Code of Ethics. FP has the responsibility to make sure that the interests of all clients are placed ahead of FP's or its IARs own investment interest. Full disclosure of all material facts and conflicts of interest will be provided to clients prior to any services being conducted with the offering of this document ADV Part 2A and 2B. FP and its IARs must conduct business in an honest, ethical and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of FP's Code of Ethics. However, if a client or a prospective client wishes to review FP's Code of Ethics in its entirety, a copy will be provided promptly upon request.

PERSONAL SECURITIES TRANSACTIONS AND INSIDER TRADING

In compliance with Section 204A of the Advisers Act and Rule 204-1, FP has adopted written policies and procedures designed to detect and prevent the misuse of material, nonpublic information. Through its professional activities, FP is exposed to a potential conflict of interest and has adopted a Code of Ethics governing the personal securities transactions of persons deemed to be "access" persons if FP or certain individuals associated with FP purchase or sell securities identical to those recommended to customers for their personal accounts. An "access" person is an individual employed by a firm that has access and/or contact with client information. FP and/or its employees may have a position in certain securities which may also be recommended to clients; however, employees do not have a material financial interest in securities recommended to clients. The Code of Ethics is intended to mitigate these potential conflicts.

FP BUYING OR SELLING THE SAME OR RELATED SECURITIES THAT FP RECOMMENDS TO CLIENTS

FP and/or representatives of FP may buy or sell securities that are also recommended to clients. This practice may create a situation where FP and/or representatives of FP are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if FP did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of FP's clients) and other potentially abusive practices.

FP has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of FP's "Access Persons". FP's securities transaction policy requires that an Access Person of FP must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with quarterly written transactions reports, as well as a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date FP selects.

FP BUYING OR SELLING SECURITIES FOR CLIENTS AT OR ABOUT THE SAME TIME FP OR A RELATED PERSON BUYS THE SAME SECURITIES

FP and/or representatives of FP may buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where FP and/or representatives of FP are in a position to materially benefit from the sale or purchase

of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above, FP has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of FP's Access Persons.

Item 12 BROKERAGE PRACTICES

RECOMMENDING A CUSTODIAN

FP generally recommends that clients select Fidelity Clearing & Custody Solutions as custodian. Fidelity is a member of FINRA and SIPC and National Financial Services, LLC is its registered broker-dealer. Fidelity maintains custody of clients' assets and effects trades in client accounts. Before FP approves a custodian for recommendation to clients, FP will review the firm's operational, financial, and regulatory status as well as their technology offerings, research capabilities, and execution capabilities, amount other factors. Even though FP recommends a specific custodian, clients should evaluate firms to ensure that the custodian selected will provide the best blend of service and cost. Transaction charges, commissions, and fees may be higher or lower that clients would pay at other firms. FP has negotiated arrangements with its approved custodians and trading platforms to provide pricing and services that it believes are competitive with firms offering similar services. FP is independently owned and operated and not affiliated with any recommended custodian.

Before engaging FP to provide Investment Advisory Services, clients are required to enter into a formal Investment Advisory Agreement with FP setting forth the terms and conditions under which FP shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that FP considers in recommending Fidelity (or any other broker-dealer/custodian to clients) include historical relationship with FP, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by FP's clients shall comply with FP's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where FP determines, in good faith, that the commission/transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although FP will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, FP's investment advisory fee. FP's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

Fidelity Clearing & Custody Solutions

FP has an arrangement with Fidelity Clearing & Custody Solutions (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides FP with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist FP in administering clients' accounts include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution and allocate aggregated trade orders for multiple client accounts; provide research, pricing and other market data; facilitate payment of fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting. These may also be a benefit to FP, which may otherwise have to pay for such items at its own expense.

Fidelity also offers other services intended to help FP manage and further develop its advisory practice. Such services include, but are not limited to third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom FP may contract directly.

Fidelity generally does not charge its advisor clients separately for custody services, but is compensated by account holders through transaction-related or asset-based fees for securities trades that are executed through Fidelity or that settle into Fidelity accounts (i.e., transactions fees for certain securities). Fidelity provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. However, the transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers.

All non-advisory accounts will be established through Purshe Kaplan Sterling Investments ("PKS") and will also be cleared and custodied at Fidelity Clearing & Custody Solutions. PKS has a wide range of approved securities products for which PKS performs due

diligence prior to selection. PKS's registered representatives are required to adhere to these products when implementing securities transactions through PKS. Commissions charged for these products may be higher or lower than commissions clients may be able to obtain if transactions were implemented through another broker-dealer. Because the IARs of FP may also be registered representatives of a broker-dealer, PKS provides compliance support to FP's IARs. In addition to compliance support, PKS also provides FP with back-office operational, technology, and other administrative support.

PKS also offers other services intended to help FP manage and further develop its advisory practice. Such services include, but are not limited to billing services, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with some of whom FP may contract directly.

This represents a **conflict of interest** since the IARs could receive fees and commissions if the client chooses to implement the recommendations of Adviser through an IAR in their separate capacity as a registered representative. Clients are not obligated to implement any recommendation through Adviser or through its representatives and are free to choose any broker-dealer they wish to implement the recommendations.

RESEARCH AND ADDITIONAL BENEFITS

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, FP may receive from Fidelity (or another broker-dealer/custodian investment platform, unaffiliated investment manager, and/or mutual fund sponsor) without cost (and/or at a discount) support services and/or products, certain of which assist FP to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by FP may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by FP in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that may be received may assist FP in managing and administering client accounts. Others do not directly provide such assistance, but rather assist FP to manage and further develop its business enterprise.

FP's clients do not pay more for investment transactions effected and/or assets maintained at Fidelity as a result of this arrangement. There is no corresponding commitment made by FP to Fidelity or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement

REFERRALS FROM BROKER-DEALERS

FP does not receive referrals from broker-dealers.

DIRECTED BROKERAGE

FP does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and FP will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by FP. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

Note: In the event that the client directs FP to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through FP. Higher transaction costs adversely impact account performance.

FP's Chief Compliance Officer, Nicole Wilken, remains available to address any questions that a client or prospective client may have regarding the above arrangement.

BLOCK TRADING

FP may “aggregate” or “block” purchases or sales of the same security for multiple accounts. FP may also in certain circumstances include access person transactions with those of nonaffiliated clients. Each account participating in the block will receive the average price if multiple executions are required to complete the order. Block trades will typically be segregated by custodian when purchasing or selling securities. Participating clients will receive the average execution price and their pro rata share of transaction costs. However, because of FP’s practice of managing portfolios on an individual basis, FP does not frequently block transactions.

Item 13 REVIEW OF ACCOUNTS

REVIEW

Investment management involves frequent monitoring (generally at least quarterly or as often as the client may request) and reviews of portfolio assets and client contact at least on an annual basis. The IARs and CSRs will examine investment results, asset allocation, client objectives, and risk tolerance. Reviews for clients will encompass factors contained in the original plan (if applicable) , factors added by implementation of the original plan, factors added by changes in the client’s circumstances and goals, financial situation, tax planning, estate planning, insurance planning, retirement planning, account performance, or any other questions the client may have concerning their investment portfolio.

FP primarily will provide broad-based financial consulting and advice for clients. Our relationship with a client will often begin with a written engagement or estimate to prepare a written financial plan. Upon mutual agreement of FP and the client, FP will prepare and deliver a written financial plan. Financial Planners and/or IARs all may prepare and conduct these presentations. Clients who receive only financial planning or advice may be charged a separate fee for meetings with their IAR. Clients should read carefully the agreement with FP to determine the amount of such separate fees, if any.

Accounts are generally reviewed once a quarter or less frequently depending on the client’s individual needs, objectives, and risk tolerance. When providing Investment Advisory Services, FP encourages periodic reviews, face-to-face meetings or conference calls. Depending upon the agreement between FP and the client, review and updating services may be provided periodically or on an as-needed basis.

CLIENT REPORTS AND STATEMENTS

Clients may receive confirmations of purchases and sales in their accounts and will receive account statements at least quarterly. The account statements will contain account information such as account value, transactions, and other account information. Confirmations and statements are prepared and delivered directly from the product sponsor, the qualified custodian, and/or the broker-dealer.

For FP’s Investment Advisory clients, FP will generate performance reports from Orion Advisor Services LLC, a portfolio reporting system. Clients may have electronic access to view their portfolio and able to print select investment information and quarterly performance reports. The quarterly reports will also include a notification of the calculation of the advisory fee. Clients should carefully compare the account statements they receive from the qualified custodian with the reports from FP.

No regular reports are provided for financial planning or advice (only) clients unless, at an annual review, FP may provide some or all of the following: current financial statement, current positions, activity in the account, and income and retirement planning.

Item 14 CLIENT REFERRALS AND OTHER COMPENSATION

FP does not directly or indirectly compensate any individuals for client referrals.

Item 15 CUSTODY

FP shall have the ability to have its fees for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. FP may also provide a written periodic report summarizing account activity and performance.

To the extent that FP provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by FP with the account statements received from the account custodian. The account custodian does not verify the accuracy of FP's investment advisory and planning fee calculation.

FP also engages in other practices and/or services on behalf of its clients that require disclosure at ADV Part 1, Item 9, which practices and/or services are subject to an annual surprise CPA examination in accordance with the requirements of Rule 206(4)-2 under the Investment Advisers Act of 1940.

FP's Chief Compliance Officer, Nicole Wilken, remains available to address any questions that a client or prospective client may have regarding custody-related issues.

Item 16 INVESTMENT DISCRETION

Upon receiving written authorization from a client, FP can provide discretionary Investment Advisory Services for client accounts. When discretionary trading authority is granted, FP will have the authority to provide the client with advice regarding buying, selling, reinvesting, exchanging, converting, or holding securities, cash, or other investments in one or more accounts. FP's discretionary authority will be granted by the client in the Investment Advisory Agreement.

If the client decides to grant trading authorization on a non-discretionary basis, the IAR or CSR is required to contact the client prior to implementing changes in the client's account. Therefore, the client will be contacted and required to accept or reject FP's investment recommendations including the security being recommended, the number of shares or units, and whether to buy or sell.

Once the above factors are agreed upon, FP will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If the client's accounts are managed on a non-discretionary basis, the client needs to know that if they are not able to be reached or are slow to respond to the IAR or CSR, it can have an adverse impact on the timing of trade implementations and the IAR or CSR may not achieve the optimal trading price.

For certain third-party manager programs, FP is granted discretionary authority to recommend replacement of a separate account manager from another available manager in the program. Separate account managers are granted discretionary trading authority to buy and sell securities they select as they deem appropriate.

Item 17 VOTING CLIENT SECURITIES

FP does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact FP to discuss any questions they may have with a particular solicitation.

Item 18 FINANCIAL INFORMATION

FP does not require or solicit prepayments of more than \$1,200 in fees per client, six months or more in advance. FP is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts. FP has not been the subject of a bankruptcy petition.

ANY QUESTIONS: FP's Chief Compliance Officer, Nicole Wilken, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements

ADV Part 2B, Brochure Supplement

Item 1

COVER PAGE



FINANCIAL PERSPECTIVES

Financial Perspectives, Inc.
3025 Harbor Lane N, Suite 200
Minneapolis, MN 55447
(877) 553-7780 (763) 553-7779
compliance@fpwealth.com
www.fpwealth.com

Brochure Date: March 21, 2017

This Brochure provides information about the qualifications and business practices of Financial Perspectives, Inc. If you have any questions about the contents of this Brochure, please contact us at 877-553-7780 or compliance@fpwealth.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 regulatory authority.

Additional information about Financial Perspectives, Inc. also is available at www.adviserinfo.sec.gov.

References herein to Financial Perspectives, Inc. as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.

DANIEL J. DUGAN

Item 2 EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: Daniel James Dugan
Year of Birth: 1962
Formal Education: University of Minnesota, 2 years
Business Background: 1994 to Present

<u>Business/Licensure</u>	<u>Background Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Financial Perspectives, Inc.	Registered Investment Advisor	President	04/2005 – Present
Financial Perspectives, Inc.	Registered Investment Advisor	President/CCO	04/2005 – 04/2010
Financial Perspectives, Inc.	Registered Investment Advisor	Financial Planner	01/1994 – 04/2005
Series 65	Investment Advisor Law	RIA License	12/1999 – Present
Series 66	Uniform Combined State Law	RAI License	06/2011 – Present

Item 3 DISCIPLINARY INFORMATION

Not Applicable.

Item 4 OTHER BUSINESS ACTIVITIES

<u>Business/Licensure</u>	<u>Activity Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Purshe Kaplan Sterling (PKS)	Broker-Dealer Affiliation	Registered Representative	08/2013 – Present
Cambridge Investment Research	Broker-Dealer Affiliation	Registered Representative	02/2010 – 08/2013
Askar Corp	Broker-Dealer Affiliation	Registered Representative	03/1994 – 02/2010
Series 7	General Securities	FINRA License	03/1994 – Present
Series 63	Uniform Securities State Law	FINRA License	04/1994 – Present
Insurance License	Various Insurance Carriers	Agent	12/1998 – Present
FP Tax & Accounting, LLC	Tax Preparation & Accounting	Managing Member	01/2013 – Present
FP Tax & Accounting, LLC	Tax Preparation & Accounting	Tax Preparer	01/2013 – Present
Dugan & Co.	Tax Preparation & Accounting	President	04/2005 – 01/2013
Dugan & Co.	Tax Preparation & Accounting	Tax Preparer	01/1993 – 01/2013

Item 5 ADDITIONAL COMPENSATION

Not Applicable.

Item 6 SUPERVISION

Financial Perspectives and all of its supervised persons are located in a branch in Minneapolis, MN. All books and records and client preparation are handled in this branch. Activities are monitored by the Chief Compliance Officer through review of trade blotters, incoming and outgoing correspondence, financial plans and reports, code of ethics and personal securities accounts, safeguarding client assets and records, and monitoring of new business paperwork and client agreements.

The person responsible for supervising the activities of supervised persons on behalf of Financial Perspectives:
Nicole L Wilken, Chief Compliance Officer 763/553-7779 or compliance@fpwealth.com

DAVID W. DUGAN

Item 2 EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: David William Dugan
Year of Birth: 1961
Formal Education: University of Minnesota, 2 years
Designation: Certified Financial Planner certification (2007)
Certification requirements at a minimum include education, exam, experience, ethics, and ongoing professional standards requirements.
Business Background: 2003 to Present

<u>Business/Licensure</u>	<u>Background Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Financial Perspectives, Inc.	Registered Investment Advisor	VP/Secretary/Treasurer	04/2005 – Present
Financial Perspectives, Inc.	Registered Investment Advisor	Financial Planner	01/2003 – 04/2005
Series 66	Uniform Combined State Law	RIA License	06/2003 – Present

Item 3 DISCIPLINARY INFORMATION

Not Applicable.

Item 4 OTHER BUSINESS ACTIVITIES

<u>Business/Licensure</u>	<u>Activity Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Purshe Kaplan Sterling (PKS)	Broker-Dealer Affiliation	Registered Representative	08/2013 – Present
Cambridge Investment Research	Broker-Dealer Affiliation	Registered Representative	02/2010 – 08/2013
Askar Corp	Broker-Dealer Affiliation	Registered Representative	02/2003 – 02/2010
Series 7	General Securities	FINRA License	02/2003 – Present
Insurance License	Various Insurance Carriers	Agent	02/2003 – Present
FP Tax & Accounting, LLC	Tax Preparation & Accounting	Managing Member	01/2013 – Present
FP Tax & Accounting, LLC	Tax Preparation & Accounting	Assistant Tax Preparer	01/2013 – Present
Dugan & Co.	Tax Preparation & Accounting	Assistant Tax Preparer	01/1995 – 01/2013

Item 5 ADDITIONAL COMPENSATION

Not Applicable.

Item 6 SUPERVISION

Financial Perspectives and all of its supervised persons are located in a branch in Minneapolis, MN. All books and records and client preparation are handled in this branch. Activities are monitored by the Chief Compliance Officer through review of trade blotters, incoming and outgoing correspondence, financial plans and reports, code of ethics and personal securities accounts, safeguarding client assets and records, and monitoring of new business paperwork and client agreements.

The person responsible for supervising the activities of supervised persons on behalf of Financial Perspectives:
Nicole L Wilken, Chief Compliance Officer 763/553-7779 or compliance@fpwealth.com

STEVEN H. LOHEIT

Item 2 EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: Steven Howard Loheit
Year of Birth: 1965
Formal Education: University of Minnesota, 1991 Finance/Economics/Psychology
Business Background: 2001 to Present

<u>Business/Licensure</u>	<u>Background Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Financial Perspectives, Inc.	Registered Investment Advisor	Investment Advisor Rep.	05/2012 – Present
Financial Perspectives, Inc.	Registered Investment Advisor	Financial Planner	01/2006 – 05/2012
Series 66	Uniform Combined State Law	RIA License	05/2012 – Present

Item 3 DISCIPLINARY INFORMATION

Not Applicable.

Item 4 OUTSIDE BUSINESS ACTIVITIES

<u>Business/Licensure</u>	<u>Activity Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Purshe Kaplan Sterling (PKS)	Broker-Dealer Affiliation	Registered Representative	08/2013 – Present
Cambridge Investment Research	Broker-Dealer Affiliation	Registered Representative	02/2010 – 08/2013
Askar Corp	Broker-Dealer Affiliation	Registered Representative	01/2006 – 02/2010
LaSalle Street Securities LLC	Broker-Dealer Affiliation	Registered Representative	04/2004 – 12/2005
Series 7	General Securities	FINRA License	10/2004 – Present
Series 63	Uniform Securities State Law	FINRA License	11/2002 – Present
Series 6	Investment Company/VA	FINRA License	09/2002 – Present
Insurance License	Various Insurance Carriers	Agent	01/2006 – Present
FP Tax & Accounting, LLC	Tax Preparation & Accounting	Assistant Tax Preparer	01/2013– Present
Dugan & Co.	Tax Preparation & Accounting	Assistant Tax Preparer	01/2006 – 01/2013
Steven H Loheit, Inc	S-Corporation	Owner	02/1998 – Present

Item 5 ADDITIONAL COMPENSATION

Not Applicable.

Item 6 SUPERVISION

Financial Perspectives and all of its supervised persons are located in a branch in Minneapolis, MN. All books and records and client preparation are handled in this branch. Activities are monitored by the Chief Compliance Officer through review of trade blotters, incoming and outgoing correspondence, financial plans and reports, code of ethics and personal securities accounts, safeguarding client assets and records, and monitoring of new business paperwork and client agreements.

The person responsible for supervising the activities of supervised persons on behalf of Financial Perspectives:
Nicole L Wilken, Chief Compliance Officer 763/553-7779 or compliance@fpwealth.com

NICOLE L. WILKEN

Item 2 EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: Nicole Lynn Wilken
Year of Birth: 1973
Formal Education: St. Cloud State University, 1996 Finance & Communications
Business Background: 1998 to Present

<u>Business/Licensure</u>	<u>Background Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Financial Perspectives, Inc.	Registered Investment Advisor	Chief Compliance Officer	04/2010 – Present
Series 66	Uniform Combined State Law	RIA License	02/2009 – Present
Askar Corp	Broker-Dealer	Chief Compliance Officer	12/2008 – 03/2010
Askar Advisors Group, Inc.	Registered Investment Advisor	Chief Compliance Officer	12/2008 – 03/2010
Abens Financial Services, Inc.	Registered Investment Advisor	Chief Compliance Officer	01/2002 – 12/2008
Abens Financial Services, Inc.	Registered Investment Advisor	OSJ Supervisor/Operations Mgr.	10/1998 – 01/2002

Item 3 DISCIPLINARY INFORMATION

Not Applicable.

Item 4 OUTSIDE BUSINESS ACTIVITIES

<u>Business/Licensure</u>	<u>Activity Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Purshe Kaplan Sterling (PKS)	Broker-Dealer Affiliation	Registered Representative	08/2013 – Present
Cambridge Investment Research	Broker-Dealer Affiliation	Registered Representative	02/2010 – 08/2013
Askar Corp	Broker-Dealer Affiliation	Registered Representative	12/2008 – 03/2010
Comprehensive Asset Mgmt.	Broker-Dealer Affiliation	Registered Representative	12/2005 – 12/2008
NEXT Financial Group, Inc.	Broker-Dealer Affiliation	Registered Representative	02/2002 – 12/2005
Royal Alliance Associates, Inc.	Broker-Dealer Affiliation	Registered Representative	03/1999 – 02/2002
Series 7	General Securities	FINRA License	11/1999 – Present
Series 63	Uniform Securities State Law	FINRA License	06/1999 – Present
Series 24	General Securities Principal	FINRA Principal License	09/2002 – Present
Series 4	Registered Options Principal	FINRA Principal License	07/2001 – Present
Insurance License	Various Insurance Carriers	Agent	01/1996 – Present
FP Tax & Accounting, LLC	Tax Preparation & Accounting	Assistant Tax Preparer	01/2013 – Present
Dugan & Co.	Tax Preparation & Accounting	Assistant Tax Preparer	04/2010 – 01/2013

Item 5 ADDITIONAL COMPENSATION

Not Applicable.

Item 6 SUPERVISION

With more than ten years of supervisory experience, Nicole L Wilken is responsible for supervising the activities of supervised persons on behalf of Financial Perspectives. As owner and operator of FP, Daniel J Dugan is responsible for the oversight of Nicole L Wilken. Daniel's contact information: 763/553-7779 or compliance@fpwealth.com.

MARRISSA S. SVENNINGSSEN

Item 2 EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: Marissa Sue Svenningsen
Year of Birth: 1979
High School Education: St. Francis Senior High School, 1997
Formal Education: Not applicable
Business Background: 1999 to Present

<u>Business/Licensure</u>	<u>Background Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Financial Perspectives, Inc.	Registered Investment Advisor	Investment Advisor Rep.	06/2004 – Present
Series 66	Uniform Combined State Law	RIA License	06/2004 – Present
Financial Perspectives, Inc.	Registered Investment Advisor	Client Service Representative	06/1999 – 06/2004

Item 3 DISCIPLINARY INFORMATION

Not Applicable.

Item 4 OUTSIDE BUSINESS ACTIVITIES

<u>Business/Licensure</u>	<u>Activity Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Purshe Kaplan Sterling (PKS)	Broker-Dealer Affiliation	Registered Representative	08/2013 – Present
Cambridge Investment Research	Broker-Dealer Affiliation	Registered Representative	02/2010 – 08/2013
Askar Corp	Broker-Dealer Affiliation	Registered Representative	02/2004 – 02/2010
Series 7	General Securities	FINRA License	02/2004 – Present
Insurance License	Various Insurance Carriers	Agent	01/2004 – Present
FP Tax & Accounting, LLC	Tax Preparation & Accounting	Assistant Tax Preparer	01/2013 – Present
Dugan & Co.	Tax Preparation & Accounting	Assistant Tax Preparer	06/1999 – 01/2013

Item 5 ADDITIONAL COMPENSATION

Not Applicable.

Item 6 SUPERVISION

Financial Perspectives and all of its supervised persons are located in a branch in Minneapolis, MN. All books and records and client preparation are handled in this branch. Activities are monitored by the Chief Compliance Officer through review of trade blotters, incoming and outgoing correspondence, financial plans and reports, code of ethics and personal securities accounts, safeguarding client assets and records, and monitoring of new business paperwork and client agreements.

The person responsible for supervising the activities of supervised persons on behalf of Financial Perspectives:
Nicole L Wilken, Chief Compliance Officer 763/553-7779 or compliance@fpwealth.com

LUKE M. DUGAN

Item 2 EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: Luke Michael Dugan
Year of Birth: 1982
Formal Education: College of the Holy Cross, Worcester, MA, 2006 Economics/Accounting
Business Background: 2006 to Present

<u>Business/Licensure</u>	<u>Background Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Financial Perspectives, Inc.	Registered Investment Advisor	Investment Advisor Rep.	08/2007 – Present
Series 66	Uniform Combined State Law	RIA License	08/2007 – Present
Financial Perspectives, Inc.	Registered Investment Advisor	Client Service Representative	01/2006 – Present

Item 3 DISCIPLINARY INFORMATION

Not Applicable.

Item 4 OUTSIDE BUSINESS ACTIVITIES

<u>Business/Licensure</u>	<u>Activity Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Purshe Kaplan Sterling (PKS)	Broker-Dealer Affiliation	Registered Representative	08/2013 – Present
Cambridge Investment Research	Broker-Dealer Affiliation	Registered Representative	02/2010 – 08/2013
FPDugan, LLC	S-Corporation	Owner	05/2010 – Present
Askar Corp	Broker-Dealer Affiliation	Registered Representative	11/2006 – 02/2010
Series 7	General Securities	FINRA License	01/2006 – Present
Insurance License	Various Insurance Carriers	Agent	01/2007 – Present
FP Tax & Accounting, LLC	Tax Preparation & Accounting	Managing Member	01/2013 – Present
FP Tax & Accounting, LLC	Tax Preparation & Accounting	Assistant Tax Preparer	01/2013 – Present
Dugan & Co.	Tax Preparation & Accounting	Assistant Tax Preparer	01/2006 – 01/2013

Item 5 ADDITIONAL COMPENSATION

Not Applicable.

Item 6 SUPERVISION

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MATTHEW S. JOHNSON

Item 2 EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: Matthew Steven Johnson
Year of Birth: 1978
Formal Education: University of Wisconsin, River Falls, 2000 Business/Economics
Business Background: 2006 to Present

<u>Business/Licensure</u>	<u>Background Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Financial Perspectives, Inc.	Registered Investment Advisor	Investment Advisor Rep.	11/2013 – Present
Series 66	Uniform Combined State Law	RIA License	11/2013 – Present
Financial Perspectives, Inc.	Registered Investment Advisor	Client Service Representative	01/2011 – 11/2013
Askar Corp.	Broker-Dealer	Brokerage Operations	01/2001 – 01/2011

Item 3 DISCIPLINARY INFORMATION

Not Applicable.

Item 4 OUTSIDE BUSINESS ACTIVITIES

<u>Business/Licensure</u>	<u>Activity Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Purshe Kaplan Sterling (PKS)	Broker-Dealer Affiliation	Registered Representative	08/2013 – Present
Cambridge Investment Research	Broker-Dealer Affiliation	Registered Representative	02/2010 – 08/2013
Askar Corp	Broker-Dealer Affiliation	Registered Representative	01/2001 – 01/2011
Series 4	Registered Options Principal	FINRA Principal License	06/2010 – Present
Series 53	Municipal Securities Principal	FINRA Principal License	03/2009 – Present
Series 24	General Securities Principal	FINRA Principal License	09/2007 – Present
Series 7	General Securities	FINRA License	01/2006 – Present
Series 63	Uniform Securities State Law	FINRA License	06/2003 – Present

Item 5 ADDITIONAL COMPENSATION

Not Applicable.

Item 6 SUPERVISION

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Nicole L Wilken, Chief Compliance Officer 763/553-7779 or compliance@fpwealth.com

LISA K. JOHNSON

Item 2 EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: Lisa Kay Johnson
Year of Birth: 1982
Formal Education: Hennepin Technical College
Business Background: 2004 – Present

<u>Business/Licensure</u>	<u>Background Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Financial Perspectives, Inc.	Registered Investment Advisor	Investment Advisor Rep.	11/2013 – Present
Series 66	Uniform Combined State Law	RIA License	11/2013 – Present
Financial Perspectives, Inc.	Registered Investment Advisor	Registered Assistant	03/2011 – Present
Financial Perspectives, Inc.	Registered Investment Advisor	Administrative Assistant	02/2004 – 03/2011

Item 3 DISCIPLINARY INFORMATION

Not Applicable.

Item 4 OUTSIDE BUSINESS ACTIVITIES

<u>Business/Licensure</u>	<u>Activity Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Purshe Kaplan Sterling (PKS)	Broker-Dealer Affiliation	Registered Representative	08/2013 – Present
Cambridge Investment Research	Broker-Dealer Affiliation	Registered Representative	03/2011 – 08/2013
Series 7	General Securities	FINRA License	03/2011 – Present
FP Tax & Accounting, LLC	Tax Preparation & Accounting	Administrative Tax Preparation	01/2013 – Present
Dugan & Co.	Tax Preparation & Accounting	Administrative Tax Preparation	02/2004 – 01/2013

Item 5 ADDITIONAL COMPENSATION

Not Applicable.

Item 6 SUPERVISION

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JENNIFER M. LACHINSKI

Item 2 EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: Jennifer Marie Lachinski
Year of Birth: 1983
Formal Education: Anoka Ramsey Community College, Associates Degree
Business Background: 2005 – Present

<u>Business/Licensure</u>	<u>Background Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Financial Perspectives, Inc.	Registered Investment Advisor	Investment Advisor Rep.	07/2014 – Present
Series 66	Uniform Combined State Law	RIA License	07/2014 – Present
Financial Perspectives, Inc.	Registered Investment Advisor	Registered Assistant	02/2011 – Present
Financial Perspectives, Inc.	Registered Investment Advisor	Administrative Assistant	10/2005 – 02/2011

Item 3 DISCIPLINARY INFORMATION

Not Applicable.

Item 4 OUTSIDE BUSINESS ACTIVITIES

<u>Business/Licensure</u>	<u>Activity Type</u>	<u>Position/Type</u>	<u>Timeline</u>
Purshe Kaplan Sterling (PKS)	Broker-Dealer Affiliation	Registered Representative	08/2013 – Present
Cambridge Investment Research Series 7	Broker-Dealer Affiliation	Registered Representative	02/2011 – 08/2013
FP Tax & Accounting, LLC	General Securities	FINRA License	02/2011 – Present
Dugan & Co.	Tax Preparation & Accounting	Administrative Tax Preparation	01/2013 – Present
	Tax Preparation & Accounting	Administrative Tax Preparation	10/2005 – 01/2013

Item 5 ADDITIONAL COMPENSATION

Not Applicable.

Item 6 SUPERVISION

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