

Item 1 – Cover Page

Part 2A of Form ADV: Firm Brochure



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This Brochure provides information about the qualifications and business practices of Arbor Financial Planning, LLC. If you have any questions about the contents of this Brochure, please contact us at 734.761.6626 and/or contact@arborfinancial.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Arbor Financial Planning, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Arbor Financial Planning, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Annual Update

When material changes occur, we will amend this Disclosure Brochure to reflect the changes. Annually, we will provide a copy of the new Disclosure Brochure or a Summary of Material Changes along with an offer of a complete Disclosure Brochure if a material change occurs in the business practices of Arbor Financial Planning, LLC. We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Material Changes since the Last Update

There have been no material changes since the firm's last Firm's last annual update Brochure of March 16, 2024. As of June 4, 2024, Arbor Financial Planning, LLC filed for registration with the Securities and Exchange Commission, which was granted on July 3, 2024.

Full Brochure Available

You may also request a copy of this Disclosure Brochure at any time, by contacting Irfan Bhabhrawala at 734.761.6626 or contact@arborfinancial.com. Our Brochure is also available on our web site www.arborfinancial.com, free of charge.

Additional information about Arbor Financial Planning, LLC is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with Arbor Financial Planning, LLC who are registered, or are required to be registered, as investment adviser representatives of Arbor Financial Planning, LLC.

Item 3 -Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes.....	ii
Item 3 -Table of Contents	iii
Item 4 – Advisory Business.....	5
Firm Description	5
Principle Owners	5
Types of Advisory Services.....	5
Item 5 – Fees and Compensation	6
Fee Billing.....	6
Past Due Accounts and Termination of Agreement.....	6
Fees.....	6
Other fees	7
Item 6 – Performance-Based Fees and Side-By-Side Management.....	7
Item 7 – Types of Clients	7
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	7
Methods of Analysis	7
Investment Strategies.....	7
Risk of Loss.....	8
Item 9 – Disciplinary Information	9
Item 10 – Other Financial Industry Activities and Affiliations.....	9
Item 11 – Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading.....	10
Code of Ethics	10
Participation or Interest in Client Transactions	10
Personal Trading.....	10
Item 12 – Brokerage Practices	10
Selecting Brokerage Firms	10
Best Execution.....	11
Soft Dollars	11
Order Aggregation	11

Item 13 – Review of Accounts	11
Periodic Reviews and Triggers	11
Regular Reports	12
Item 14 – Client Referrals and Other Compensation	12
Item 15 – Custody	12
Item 16 – Investment Discretion	12
Discretionary Authority for Trading	12
Item 17 – Voting Client Securities	13
Item 18 – Financial Information	13

Item 4 – Advisory Business

Firm Description

Arbor Financial Planning, LLC (AF), was formed in 2015, has been solely owned by Irfan Bhabhrawala since 2015.

AF is a fee-only holistic financial planning firm that specializes in providing personalized, confidential financial planning and investment management to individuals and families. AF serves as the trusted guide to help clients identify and achieve their personal financial objectives.

All services are tailored to the client's unique objectives by reviewing the client's current financial condition including liabilities and overall asset allocation and discussing risk tolerance and short and long-term goals. Clients can decide not to accept AF's recommendations and can impose restrictions on investing in certain securities or types of securities. AF does not sell insurance or investment products, nor does it accept commission as a result of any product recommendations. AF does not offer nor participate in a wrap-fee program.

When AF provides investment advice to clients regarding their retirement plan account or individual retirement account, they are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way AF makes money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

As of approximately June 2, 2024, AF had approximately \$153,055,800 in discretionary assets under management and \$14,180,936 in non-discretionary assets under management.

Principle Owners

AF is solely owned by Irfan Bhabhrawala.

Types of Advisory Services

Arbor Financial Planning, LLC provides holistic/ comprehensive financial planning and investment management engagement for a fixed annual fee. The client agrees to an ongoing relationship with AF as their trusted guide in the financial areas of their life. There are legacy clients of AF who receive services under a previous agreement with a different type of authority that is no longer on offer.

The goals and objectives of each client are collected and documented. Recommendations provided are uniquely individual to the client and their current situation. Detailed investment advice and specific recommendations are provided as part of this process, as well as implementation. In implementing our advice and recommendations and managing their investments, clients grant AF discretionary authority to manage their cash and securities. In granting this discretionary authority, AF has full authority to select, purchase, and sell securities for clients including the amounts, and to place orders with custodians to execute transactions, all without prior consultation with clients. Clients may impose reasonable

restrictions on this authority.

During the **Initial Year** there are meetings covering relevant topics (see list below). Meetings may be held face-to-face or via secure computer link and/or telephone lines.

- | | |
|------------------------------|---------------------------------|
| - Tax preparation | - Asset allocation strategies |
| - Budgeting and cash flow | - Estate planning review |
| - Tax planning | - Investment Selection |
| - Record-keeping | - Goal Setting |
| - Inventory of client assets | - Insurance analysis |
| - Retirement planning | - Education planning |
| - Portfolio analysis | - Analysis of employee benefits |

In Renewal Years of the engagement, there are typically less meetings and appointment topics will depend on what is appropriate for the client including, but not limited to:

- | | |
|----------------------------------|---|
| - Tax planning & Tax preparation | - Rebalancing of assets |
| - Goal setting/review | - Items from “Initial Year” list as needed |
| - Investment review/update | - Financial planning and other services as needed by client |

Item 5 – Fees and Compensation

Fees

Fees are calculated on a number of factors, primarily: income, net worth and the complexity of the client’s situation. Fees are calculated annually and payable monthly or quarterly, in advance, or as otherwise agreed to. Fees are typically paid by check, credit card, or deducted quarterly from a qualifying brokerage account.

Client Services Agreement - \$3,000 - \$60,000

Add-ons, credits, and miscellaneous adjustments: A separate charge is assessed for each amended tax return prepared, and any additional tax return prepared for dependents of a client, unless waived. Credits and miscellaneous adjustments are applied, as deemed appropriate, based on the discretion of AF’s management after discussion with the client.

Fee Billing

The specific manner in which fees are billed and collected by Arbor Financial Planning, LLC is established in the written agreement between the client and AF. For convenience, clients may choose from multiple payment cycles.

Past Due Accounts and Termination of Agreement

AF reserves the right to stop work on any account that is more than 30 days overdue. In addition, AF reserves the right to terminate any engagement where, in AF’s judgement, a client has willfully concealed

or has refused to provide pertinent information about financial situations when necessary and appropriate.

AF is a fee-only financial advisory firm and does not sell investment or insurance products. All fees are generally non-negotiable and are paid as described above, directly by the client. AF does not receive other compensation. Either the client or AF may terminate an engagement at any time, without penalty, upon written notice. Upon termination of any agreement, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Other fees

Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to AF's fee, and AF does not receive any portion of these commissions, fees, and costs.

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

Arbor Financial Planning, LLC does not charge any performance-based fees (i.e. fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

Arbor Financial Planning, LLC provides holistic financial planning services primarily to individuals and families. We enjoy working with people from all different walks of life. As such, we maintain no minimum net-worth or asset requirements. As discussed above, the relationship agreement and fee will be based on the client's individual circumstances.

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

Methods of Analysis
In determining investment recommendations, AF will utilize public information obtained from various research services, financial subscription magazines, fund performance reporting software as well as other public research. Moreover, AF approaches investment portfolio analysis and implementation based on internal factors such as the client tax situation, overall risk tolerance, current financial situation, and personal goals and aspirations. After identifying these items, the portfolio will be structured around individual and family goals.

Investment Strategies

In general, Arbor Financial Planning, LLC recommends no-load mutual funds (i.e. funds that have no upfront or backend sales fees), low-cost Exchange Traded Funds (ETFs), U.S. Government bonds, money market accounts, and certificates of deposit. However, in the course of providing investment

advice, AF may address issues related to other types of assets that clients may already own. Any other products that may be deemed appropriate for the client will be discussed, based upon goals, needs and objectives.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. The inherent risks associated with any investments recommended by AF will be considered with the client's goals, needs, and objectives at the forefront. AF works to ensure the client understands his/her investments and that he/she is properly prepared to bear associated risks.

Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of

profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Arbor Financial Planning, LLC or the integrity of AF's management. Arbor Financial Planning, LLC has no reportable information applicable to this Item.

AF or any affiliated management persons have not had a criminal or civil action in a domestic, foreign, or military court of competent jurisdiction.

AF or any affiliated management persons have not had administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority.

AF or any affiliated management persons have not had any self-regulatory organization (SRO) proceedings in which AF or management persons were found to have caused an investment-related business to lose its authorization to do business or was found to have been involved in a violation of the SRO's rules.

Item 10 – Other Financial Industry Activities and Affiliations

Neither AF nor any of its management persons are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither AF nor any of its management persons is registered or applying to become registered as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of such.

Arbor Financial Planning, LLC is affiliated with the Alliance of Comprehensive Planners (ACP). This non-profit, member-owned organization provides training and support through an alliance of fee-only comprehensive financial advisors. As a member of ACP, AF has the right to use proprietary products and systems designed by ACP. ACP provides ongoing training in the form of conferences and services produced by collaborative efforts of the fee-only financial advisors.

Arbor Financial Planning, LLC is also affiliated with the National Association of Financial Advisors (NAFA), which requires that their members are fee-only, and obtain a minimum of 60 continuing education credits every two years.

Arbor Financial Planning, LLC is also affiliated with the XY Planning Network (XYPN).

Arbor Financial Planning, LLC contracts with Ann Arbor Tax Service, Inc. to provide advice, computation, and preparation of personal income tax for some of its clients. AF and Ann Arbor Tax

Service, Inc. are not affiliated parties. Clients of AF will consent to the sharing of their information and the use of Ann Arbor Tax Service, Inc. for their needs by AF before AF engages their services.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

Code of Ethics

The employees of Arbor Financial Planning, LLC have committed to a Code of Ethics that is available for review by clients and prospective clients upon request. Incorporated into our code of ethics are the standards set by the Certified Financial Planning Board, the Fiduciary Oath promulgated by NAPFA, and the Association of Comprehensive Planners to Clients.

In concise terms Arbor Financial Planning, LLC members shall always:

- Act as a fiduciary, act in the best interest of each and every client
- Act with integrity and dignity when dealing with clients, prospects, & others
- Strive to maintain and continually enhance our high degree of professional education regarding all aspects of personal financial planning; and
- Seek at all times to preserve our firm's independence and to maintain our complete objectivity with respect to our planning services and each recommendation made to our clients.

Participation or Interest in Client Transactions

Arbor Financial Planning, LLC and its employees may buy or sell securities that are also held by clients. It does not currently participate in securities in which it has a material financial interest.

Personal Trading

Employees may not trade their own securities ahead of client trades. The Chief Compliance Officer of Arbor Financial Planning, LLC is Irfan Bhabhrawala. He reviews all employee trades regularly. The personal trading reviews ensure that personnel's trading does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are small mutual fund or Exchange Traded Fund trades, the trades do not affect the securities markets.

Arbor Financial Planning, LLC further prohibits the use of material non-public information and protects the confidentiality of the client information. We require that all individuals act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to disciplinary action.

Item 12 – Brokerage Practices

Selecting Brokerage Firms

Arbor Financial Planning, LLC does not have any affiliation with product sales firms. Arbor Financial

Planning, LLC has a custodial relationship with Schwab Institutional Services and recommends discount brokerage firms and trust companies (qualified custodians), such as Charles Schwab but clients may use any brokerage house they prefer. AF only recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

Arbor Financial Planning, LLC *DOES NOT* receive fees or commissions from any of these arrangements.

Best Execution

AF may suggest that clients consider brokerage accounts at a recommended custodian so that AF may better supervise client accounts using online viewing access, trade execution, and electronic trade confirmations. In recommending a broker dealer, AF will generally seek “best execution”. Factors considered for best execution include, but are not limited to, the broker-dealers facilities, costs, reliability and financial responsibility, the ability of the broker-dealer to effect transactions, and the research and related brokerage services provided to clients and/or AF. When a client is allowed to direct brokerage AF may not be able to obtain best execution.

Soft Dollars

We do not have any formal soft-dollar arrangements. However, our firm participates in the Schwab Institutional (SI) services program offered to independent investment advisers by Charles Schwab & Company, Inc. (“Schwab”), a FINRA-registered broker dealer. We recommend Schwab to clients needing brokerage and custodial services. While there is no direct linkage between the investment advice given and participation in the SI program, economic benefits are received which would not be received if our firm did not give investment advice to clients. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving SI participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client account; access, for a fee, to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors. The benefits received through participation in the SI program may or may not depend upon the amount of transactions directed to, or amount of assets held at Schwab.

Participation in the SI program results in a potential conflict of interest for our firm, as the receipt of the above benefits creates an incentive for us to use Schwab for the execution of client trades. Nonetheless, we have reviewed the services of Schwab and recommend the services based on a number of factors. These factors include the professional services offered, commission rates, and the custodial platform provided to clients.

Order Aggregation

AF has not identified a need to bunch orders or engage in block trading; trades are placed on an individual client basis.

Item 13 – Review of Accounts

Periodic Reviews and Triggers

Account reviews are typically performed at least annually. Account reviews may be performed more frequently when client situations dictate. Reviews are conducted primarily by Irfan Bhabhrawala, Lead Financial Planner and Owner.

Regular Reports

Arbor Financial Planning, LLC makes written recommendations at the conclusion of an appointment summarizing the topic discussed, recommendations presented and outcome where appropriate.

If the client has any brokerage accounts, including accounts at Charles Schwab Institutional, they will receive monthly or quarterly statements from their custodians, either in paper or electronic form.

Item 14 – Client Referrals and Other Compensation

Arbor Financial Planning, LLC does accept referrals. The referrals come from current clients, employees, personal friends and other similar sources. The firm does not compensate referring parties for these referrals, nor does it accept such fees from other firms or individuals.

Item 15 – Custody

AF does not maintain custody of client funds. In the event that client fees are deducted from client accounts this can be viewed as AF having constructive custody; AF receives client authorization for direct fee deduction in the client services agreement and AF follows the safeguards in place to avoid the need for a surprise annual audit when directly debiting its fee from clients' accounts. Clients will receive at least quarterly, statements from their broker dealer, bank or other qualified custodian that holds and maintains the client's investment assets. AF urges their clients to carefully review custodial records to the account reports that we may provide to you. AF's reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

Discretionary Authority for Trading

In implementing our advice and recommendations and managing their investments, clients grant AF discretionary authority to manage their cash and securities. In granting this discretionary authority, AF has full authority to select, purchase, and sell securities for clients including the amounts, and to place orders with custodians to execute transactions, all without prior consultation with clients. Clients may impose reasonable restrictions on this authority.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, Arbor Financial Planning, LLC does not have any authority to and does not vote proxies on behalf of advisory clients. Clients receive proxies or other solicitations directly from their custodians. Clients retain the responsibility for receiving and voting proxies for all securities maintained in client portfolios. AF does not provide advice to clients regarding the clients' voting of proxies.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide certain financial information or disclosures. Arbor Financial Planning, LLC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding. AF does not require prepayment of \$1,200 or more in fees six months or more in advance.