

Firm Brochure

(Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of ESSENTIAL PLANNING, LLC. If you have any questions about the contents of this brochure, please contact us at: 603-427-5164, or by andy@essential-planning.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about ESSENTIAL PLANNING, LLC. is available on the SEC's website at www.adviserinfo.sec.gov

03/31/2024

Material Changes

Annual Update

The Material Changes section of this brochure will be updated at least annually and/or when material changes occur since the previous release of the Firm Brochure.

Material Changes since the Last Update

We have made 3 material change(s) since our last update. For quick reference, please find them below:

ADDED:

Certain ESSENTIAL PLANNING, LLC related person(s) are also Insurance Agents and/or Registered Representatives of a Broker Dealer. Any securities and/or insurance products placed through these IARs will generate standard and customary commissions and other sums, a portion of which can be paid to the IARs. The receipt of commissions and other sums by ESSENTIAL PLANNING, LLC IARs for insurance transactions presents a conflict of interest.

REMOVED:

Affiliations

ESSENTIAL PLANNING, LLC has arrangements that are material to its advisory of its clients with a related person who is an RIA: Lord & Sanborn, Inc. A principal of ESSENTIAL PLANNING, LLC, Andrew C. Lord, is a minority shareholder in Lord & Sanborn, Inc. a New Hampshire Registered Investment Advisor. There are no client references or relationships and no affiliation other than Andrew C. Lord's passive ownership.

Brokerage Practices

T.D. Ameritrade, Inc. ("TDA")

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by Telephone @ (603) 427-5164 or by email: andy@essential-planning.com.

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Advisory Business

Firm Description

ESSENTIAL PLANNING, LLC, formerly ANDREW LORD & CO. and ANDREW C. LORD REGISTERED REP was founded in 1984.

ESSENTIAL PLANNING, LLC provides personalized confidential financial planning and investment management to individuals, trusts and estates. Advice is provided through consultation with the client and may include determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance planning, investment management, education funding, retirement planning, and estate planning.

Investment advice and financial planning are integral parts of ESSENTIAL PLANNING, LLC's offering.

Investment advice is provided, with the client making the final decision on investment selection. ESSENTIAL PLANNING, LLC does not act as a custodian of client assets. The client always maintains asset control. ESSENTIAL PLANNING, LLC may place trades for clients who have granted the firm discretionary authority or under a limited power of attorney.

Evaluation of each client's initial situation is provided to the client, often in the form of a financial "to do" list. Periodic reviews are also conducted from time to time to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest are disclosed to the client wherever possible.

The initial meeting is free of charge and is considered an exploratory interview to determine the extent to which financial planning and investment management may be beneficial to the client.

Principal Owners

Andrew C. Lord is a 100 % stockholder.

Types of Advisory Services

ESSENTIAL PLANNING, LLC provides investment supervisory services, also known as asset management services; manages investment advisory accounts not involving investment supervisory services; furnishes investment advice through consultations; issues reports about securities in writing or other devices which clients may use to evaluate securities.

On more than an occasional basis, ESSENTIAL PLANNING, LLC furnishes advice to clients on matters not involving securities, such as financial planning matters, taxation issues, and trust services that often include estate planning. As of 12/31/2023 ESSENTIAL PLANNING, LLC manages approximately \$378,634,000 assets for approximately 513 clients. \$378,634,000 is managed on a discretionary basis.

Tailored Relationships

The goals and objectives for each client are documented in our client relationship management system. Investment policies reflect the clients stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities. Agreements may not be assigned without written consent.

Types of Agreements

The following agreements define the typical client relationships:

Financial Planning Agreement

A financial plan is designed to help the client with aspects of financial planning without ongoing investment management after the financial plan is completed.

The financial plan may include, but is not limited to: a net worth statement; a cash flow statement; a review of investment accounts including reviewing asset allocation and providing repositioning recommendations; strategic tax planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations.

Detailed investment advice and specific recommendations are provided as part of a financial plan. Implementation and methodology of implementation of the recommendation are directed by the client.

The fee for a financial plan is predicated upon the facts known at the start of the engagement. Since financial planning is a discovery process, situations occur wherein the client is unaware of certain financial exposures or predicaments. In the event that the client's situation is substantially different than disclosed at the initial meeting, a revised fee will be provided for mutual agreement. The client must approve the change of scope in advance of the additional work being performed when a fee increase is necessary.

After delivery of a financial plan, future face-to-face meetings may be scheduled as necessary. Follow-up implementation work may be billed separately.

Advisory Service Agreement

Most clients choose to have ESSENTIAL PLANNING, LLC manage their assets in order to obtain ongoing in-depth advice and consulting. Many aspects of the client's financial affairs are often reviewed, including those of their children. Realistic and measurable goals are set and strategies to reach those goals are discussed. As goals and objectives change over time, suggestions are made and implemented on an ongoing basis.

The scope of work and fee for an Advisory Service Agreement is provided to the client in writing upon the start of the relationship. An Advisory Service Agreement may include cash flow management; insurance review; investment management (not including performance reporting); education planning; retirement planning; estate planning; and tax planning, as well as the implementation of recommendations within each area.

Although the Advisory Service Agreement is an ongoing agreement and constant adjustments are required, the length of service to the client is at the client's discretion. The client or the investment manager may terminate an Agreement by written notice to the other party. At termination, fees will be billed on a pro rata basis for the portion of the quarter completed. The portfolio value at the completion of the prior full billing quarter is used as the basis for the fee computation, adjusted for the number of days during the billing quarter prior to termination.

Retainer Agreement

In some circumstances, a flat retainer is executed as part of an *Advisory Service Agreement* when it is more appropriate to work on a fixed-fee basis.

Asset Management

Assets are invested primarily in no-load or low-load mutual funds and exchange-traded funds, usually through discount brokers or fund companies. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Brokerages may charge a transaction fee for the purchase of some funds.

Stocks and bonds may be purchased or sold through a brokerage account when appropriate. The brokerage firm charges a fee for stock and bond trades. ESSENTIAL PLANNING, LLC does not receive compensation from custodians or fund companies other than in the form of research offerings (soft dollars).

Investments may also include equities (stocks), warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (variable life insurance, variable annuities, and mutual funds shares), U. S. government securities and interests in partnerships.

Initial public offerings (IPOs) are not available through ESSENTIAL PLANNING, LLC.

Unaffiliated Wrap Program

ESSENTIAL PLANNING, LLC does not offer a wrap fee program for its investment advisory services. However, ESSENTIAL PLANNING, LLC is a participating investment adviser in an unaffiliated wrap and managed account fee program sponsored by Valmark Advisers, Inc. (the "Valmark Program"). Through the Valmark Program, client assets are allocated to an unaffiliated third-party investment manager. The third-party investment manager, then, retains day-to-day responsibility for the discretionary management of the allocated assets. ESSENTIAL PLANNING, LLC continues to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives.

Under the Valmark Program, clients pay a wrap fee directly to the wrap

fee program sponsor, which wrap fee includes our investment advisory fee, investment management fees attributable to the third-party investment manager, the execution of securities brokerage transactions, custody and reporting services. The third-party investment manager then remits a portion of the total fee to ESSENTIAL PLANNING, LLC. The client is under no obligation to participate in the Valmark Program. Participation in the Valmark Program may cost the participant more or less than purchasing such services separately.

Termination of Agreement

A Client may terminate any of the aforementioned agreements at any time by notifying ESSENTIAL PLANNING, LLC and paying the rate for the time spent on the investment advisory engagement prior to notification of termination. If the client made an advance payment, ESSENTIAL PLANNING, LLC will refund any unearned portion of the advance payment.

ESSENTIAL PLANNING, LLC may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the client made an advance payment, ESSENTIAL PLANNING, LLC will refund any unearned portion of the advance payment.

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 the former employer's plan, if permitted, (ii) roll over the assets to 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 Essential Planning recommends that a client roll over their retirement plan assets into an account to be managed by Essential Planning, such a recommendation creates a conflict of interest if Essential Planning will earn new (or increase its current) compensation as a result of the rollover. If Essential Planning provides a recommendation as to whether a client should engage in a rollover or not (whether it is from an employer's plan or an existing IRA), Essential Planning is acting as a fiduciary 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. **No client is under any obligation to roll over retirement plan assets to an account managed by Essential Planning, whether it is from an employer's plan or an**

existing IRA. Essential Planning's Chief Compliance Officer, Andrew Lord, 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.

Fees and Compensation

Description

ESSENTIAL PLANNING, LLC bases its fees on a percentage of assets under management or fixed fees.

Some *Retainer Agreements* may be priced based on the complexity of work, especially when asset management is not the most significant part of the relationship.

Financial plans are priced according to the degree of complexity associated with the client's situation.

The annual Advisory Service Agreement fee is sometimes based on a percentage of the investable assets according to the following schedule:

Under \$100,000	1.75%
\$100,001 - \$250,000	1.50%
\$250,001 - \$1,000,000	1.25%
\$1,000,001 - \$2,000,000	.75%

Fee Billing

Investment management fees are billed quarterly, in ARREARS, meaning that we invoice you AFTER the three-month billing period has ENDED. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account. "Advisory" or/and "Asset Based" fees are based on the account value at the last business day of the quarter.

Fees for financial plans (a.k.a. "Module Planning") are billed 50% in advance, with the balance due upon the completion of the financial plan.

Other Fees

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. We believe that the selection of the security is more important than the nominal fee that the custodian charges

to buy or sell the security.

ESSENTIAL PLANNING, LLC. in its sole discretion, may waive its fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

New Advisory Service Agreement fees are calculated on a formula basis and adjusted for complexity of individual situations. *The formula is based on gross income, gross assets and, as above, many other financial considerations.*

Expense Ratios

Mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid by clients to ESSENTIAL PLANNING, LLC.

Performance figures quoted by mutual fund companies in various publications are usually after their fees have been deducted.

Past Due Accounts and Termination of Agreement

ESSENTIAL PLANNING, LLC reserves the right to stop work on any account that is more than 30 days overdue. In addition, ESSENTIAL PLANNING, LLC reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in ESSENTIAL PLANNING, LLC's judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded within 30 days.

Securities Commission Transactions

Certain ESSENTIAL PLANNING, LLC's representatives are also registered representatives of Valmark Securities, Inc. an unaffiliated SEC-registered and FINRA member broker-dealer ("Valmark"). Through Valmark, these representatives may conduct brokerage business for which they will receive normal and customary brokerage compensation (i.e., commissions, trails, and Rule 12b-1 fees). The brokerage commissions and transaction fees charged by Valmark may be higher or lower than those charged by other broker-dealers.

The recommendation that a client purchase a commission product from

Valmark presents a conflict of interest, as the receipt of brokerage compensation provides an incentive to recommend investment products based on the compensation to be received, rather than on a particular client's need. No client is under any obligation to purchase any product or service from Valmark or through ESSENTIAL PLANNING, LLC's representatives. Clients may purchase investment products recommended by ESSENTIAL PLANNING, LLC and its representatives through the broker-dealer and registered representative of the client's choosing.

When ESSENTIAL PLANNING, LLC's representatives sell an investment product on a commission basis through Valmark, ESSENTIAL PLANNING, LLC does not charge an advisory fee on that product. When providing services on an advisory fee basis, ESSENTIAL PLANNING, LLC's representatives do not also receive brokerage compensation (i.e., commissions, trails, and Rule 12b-1 fees).

Performance-Based Fees

Sharing of Capital Gains

Some advisors offer performance fees as an alternative. ESSENTIAL PLANNING, LLC does not.

Types of Clients

Description

ESSENTIAL PLANNING, LLC generally provides investment advice to individuals. Client relationships vary in scope and length of service.

Account Minimums

ESSENTIAL PLANNING, LLC has no account minimums.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Security analysis methods may include charting, fundamental analysis, technical analysis, and cyclical analysis. The main sources of information include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services,

annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

Other sources of information that ESSENTIAL PLANNING, LLC may use include Morningstar Principia mutual fund information, Morningstar Principia stock information, Charles Schwab & Company's "Schwab Link" service, Advisor Intelligence, and the World Wide Web.

Investment Strategies

The primary investment strategy used on client accounts is strategic asset allocation utilizing a core and satellite approach. This means that we use passively-managed index and exchange-traded funds as the core investments, and then add actively-managed funds we perceive greater opportunities to make a difference. Portfolios are often globally diversified to control the risk associated with traditional markets.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time.

Other strategies may include long-term purchases, short-term purchases, trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks and more:

- **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 may even be caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events and risk.
 - **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 often 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 may carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity, often 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 usually highly liquid, while real estate properties may not be.
- **Financial Risk:** An example of financial risk is excessive borrowing. 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.

Disciplinary Information

Legal and Disciplinary

- Andrew Lord has the following disciplinary history:
- Category: Regulatory Action Event Date: 02/27/2014
- Status: Final
- Status Date: 02/27/2014
- Initiated by: FINRA
- Employing Firm: FORTUNE FINANCIAL SERVICES, INC.
- Event Details: ARTICLE V, SECTION 2(C) OF THE FINRA BY-LAWS AND FINRA RULES 1122 AND 2010: LORD FAILED TO AMEND HIS UNIFORM APPLICATIONS FOR SECURITIES INDUSTRY

REGULATION (FORM U4) OR TRANSFER TO DISCLOSE MATERIAL INFORMATION, AN UNSATISFIED TAX LIEN. WITHOUT ADMITTING OR DENYING THE FINDINGS, LORD CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE HE WAS FINED \$5,000 AND SUSPENDED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY CAPACITY FOR 20 BUSINESS DAYS. THE

SUSPENSION WAS IN EFFECT FROM MARCH 17, 2014 THROUGH APRIL 11, 2014.

- Sanctions: Suspension and Civil Fine
- Sanction Details: Suspension in any capacity for 20 business days 03/17/2014 - 04/11/2014 Monetary related sanction, civil and administrative fine totaling \$5,000. Rep paid in full on 03/28/2014 \

- Category: State undertaking.
- Status: Final
- Status Date: 5/30/2014
- Initiated: Commonwealth of Massachusetts Division of Securities
- Employing Firm: Investors Capital Corp.

ON OR ABOUT MAY 30, 2014 DEALER SUBMITTED TO THE CRD OF FINRA AN APPLICATION FOR SECURITIES INDUSTRY REGISTRATION (THE IAR APPLICATION) SEEKING REGISTRATION OF LORD AS AN INVESTMENT ADVISOR REP OF DEALER IN MASSACHUSETTS. ON OR ABOUT JUNE 3, 2014 DEALER SUBMITTED TO THE CRD OF FINRA AN APPLICATION FOR SECURITIES INDUSTRY REGISTRATION (THE BD REP APPLICATION) SEEKING REGISTRATION OF LORD AS A REP OF DEALER IN MASSACHUSETTS. ON OR ABOUT FEBRUARY 27, 2014 FINRA INITIATED A REGULATORY ACTION AGAINST LORD FOR FAILING TO FILE AN AMENDMENT TO HIS FORM U4 WITH THE CRD TO DISCLOSE AN OUTSTANDING IRS TAX LIEN THAT WAS FILED AGAINST LORD ON AUGUST 12, 2010. THE LIEN WAS NOT REPORTED TO THE CRD BY LORD UNTIL FEBRUARY 17, 2014. ON FEBRUARY 27, 2014 LORD ENTERED INTO AN ACCEPTANCE WAIVER & CONSENT WITH FINRA IN WHICH MR. LORD WAS SUSPENDED FOR 20 DAYS AND FINED \$5,000. THE ABOVE STATED DISCLOSURE INCIDENTS AGAINST MR. LORD HAVE MOVED THE DIVISION TO PLACE CONDITIONS ON HIS REGISTRATION AS A REP OF DEALER. Sanctions: CONDITIONS ON REGISTRATION
Sanction Details: 2 YRS. HEIGHTENED SUPERVISION

Other Financial Industry Activities and Affiliations

Financial Industry Activities

ESSENTIAL PLANNING, LLC is registered as a Registered Investment Advisory Firm.

Affiliations

Certain ESSENTIAL PLANNING, LLC related person(s) are also Insurance Agents and/or Registered Representatives of a Broker Dealer. Any securities and/or insurance products placed through these IARs will generate standard

and customary commissions and other sums, a portion of which can be paid to the IARs. The receipt of commissions and other sums by ESSENTIAL PLANNING, LLC IARs for insurance transactions presents a conflict of interest.

Certain ESSENTIAL PLANNING, LLC related person(s) are also registered investment advisors of Valmark Advisers, Inc. an unaffiliated SEC Registered Investment Advisor. Valmark IARs are authorized only to provide advisory services and work with advisory service providers and custodians that have been approved by Valmark.

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

Code of Ethics

The employees of ESSENTIAL PLANNING, LLC have committed to a Code of Ethics that is available for review by clients and prospective clients upon request. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

Participation or Interest in Client Transactions

ESSENTIAL PLANNING, LLC and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees comply with the provisions of the ESSENTIAL PLANNING, LLC *Compliance Manual*.

Personal Trading

The Compliance Officer of ESSENTIAL PLANNING, LLC is Andrew C. Lord. He reviews all employee trades each quarter. The personal trading reviews are designed to ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment.

Since most employee trades are small mutual fund trades or exchange traded funds the trades do not affect the securities markets much. The Compliance Officer has another administrative employee review his and his families' accounts as well.

Brokerage Practices

Brokerage Practices

In the event that the client requests that ESSENTIAL PLANNING, LLC recommend a broker-dealer/custodian for execution and/or custodial services, ESSENTIAL PLANNING, LLC generally recommends that investment advisory accounts be maintained at Charles Schwab & Co., Inc. ("Schwab"), or Fidelity Brokerage Services, LLC ("Fidelity"). Factors that ESSENTIAL PLANNING, LLC considers in recommending Schwab, or Fidelity (or any other broker-dealer/custodian to clients) include historical relationship with ESSENTIAL PLANNING, LLC, financial strength, reputation, execution capabilities, pricing, research, and service. Broker-dealers can charge transaction fees for effecting certain securities transactions. To the extent that a transaction fee will be payable by the client, the transaction fee shall be in addition to ESSENTIAL PLANNING, LLC's investment advisory fee.

To the extent that a transaction fee is payable, ESSENTIAL PLANNING, LLC shall have a duty to obtain best execution for such transaction. However, that does not mean that the client will not pay a transaction fee that is higher than another qualified broker-dealer might charge to effect the same transaction where ESSENTIAL PLANNING, LLC determines, in good faith, that the 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, transaction rates, and responsiveness. Accordingly, although ESSENTIAL PLANNING, LLC will seek competitive rates, it may not necessarily obtain the lowest possible rates for client account transactions.

Research and Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, ESSENTIAL PLANNING, LLC can receive from Schwab, or Fidelity (or another broker-dealer/custodian, investment manager, platform sponsor, mutual fund sponsor, or vendor) without cost (and/or at a discount) support services and/or products, certain of which assist

ESSENTIAL PLANNING, LLC to better monitor and service client accounts maintained at such institutions. Included within the support services that can be obtained by ESSENTIAL PLANNING, LLC can 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-including client events, computer hardware and/or software and/or other products used by ESSENTIAL PLANNING, LLC in furtherance of its investment advisory business operations.

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

ESSENTIAL PLANNING, LLC has received from Schwab, certain Additional Benefits that may or may not be offered to ESSENTIAL PLANNING, LLC again in the future. Specifically, the Additional Benefits include up to \$16,000 in economic assistance to use towards technology, research, marketing, and/or compliance consulting expenses. The amount of economic assistance ultimately received by ESSENTIAL PLANNING, LLC is based upon the amount of net new assets placed in custody with Schwab. In addition, Schwab has agreed to provide up to \$24,000 in reimbursement for Transfer of Account Exit Fees. This reimbursement is intended to offset the costs clients would otherwise incur in connection with transferring their assets to a Schwab custodial account. ESSENTIAL PLANNING, LLC does not retain any portion of these Transfer of Account Exit Fee reimbursements.

ESSENTIAL PLANNING, LLC has no expectation that these Additional Benefits will be offered again; however, ESSENTIAL PLANNING, LLC reserves the right to negotiate for these Additional Benefits in the future. Schwab provides the Additional Benefits to ESSENTIAL PLANNING, LLC in its sole discretion and at its own expense, and neither ESSENTIAL PLANNING, LLC nor its clients pay any fees to Schwab for the Additional Benefits. The recommendation by ESSENTIAL PLANNING, LLC or its representatives that a client select Schwab as designated broker-dealer/custodian for their accounts or transfer their account assets from another broker-dealer/custodian to Schwab presents a conflict of interest,

because ESSENTIAL PLANNING, LLC has and may continue to have the incentive to make such a recommendation based on its interest in receiving the Additional Benefits to benefit its business interests, rather than based on clients' interest in receiving the best value in custody services and the most favorable execution of transactions.

Direct Brokerage

ESSENTIAL PLANNING, LLC recommends that its clients utilize the brokerage and custodial services provided by Schwab, or Fidelity. ESSENTIAL PLANNING, LLC generally does not accept directed brokerage arrangements (but could make exceptions). A directed brokerage arrangement arises when a client requires that account transactions be effected through a specific broker-dealer/custodian, other than ones generally recommended by ESSENTIAL PLANNING, LLC. In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and ESSENTIAL PLANNING, LLC 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 ESSENTIAL PLANNING, LLC. As a result, a 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. Please Note: In the event that the client directs ESSENTIAL PLANNING, LLC 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 ESSENTIAL PLANNING, LLC. Please Also Note: Higher transaction costs adversely impact account performance. Please Further Note: Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

Order Aggregation

Transactions for each client account generally will be executed independently, unless ESSENTIAL PLANNING, LLC decides to purchase or sell the same securities for several clients at approximately the same time. ESSENTIAL PLANNING, LLC may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among ESSENTIAL PLANNING, LLC's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed

independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. ESSENTIAL PLANNING, LLC shall not receive any additional compensation or remuneration as the result of such aggregation.

Review of Accounts

Planning Meetings

Account reviews are performed quarterly by advisors Andrew C. Lord and/or Paul R. Doran and/or Hunter C.T. Lord. Account reviews are performed more frequently when market conditions or client's plans dictate.

Planning Meeting Triggers

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's situation.

Regular Reports

Account reviewers are advisor reps the firm. They are instructed to consider the client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the client.

Clients receive periodic communications from time to time. *Advisory Service Agreement* clients, *Investment Management* clients, and *Retainer Agreement* clients receive written updates. The updates may include a net worth statement, portfolio statement (from the custodian), a summary of objectives and progress towards meeting those objectives and/or "to do" lists.

Client Referrals and Other Compensation

Incoming Referrals

ESSENTIAL PLANNING, LLC has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

Referrals Out

ESSENTIAL PLANNING, LLC does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

CUSTODY

Account Statements

All assets are held at client's custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly unless otherwise instructed by the client themselves.

Performance Reports

Clients are urged to compare the account statements received directly from their custodians.

Net Worth Statements

Clients are sometimes provided net worth statements and net worth graphs that are generated from our client relationship management system. Net worth statements contain approximations of bank account balances provided by the client, as well as the value of land and hard-to-price real estate. The net worth statements are used for long-term financial planning where the exact values of assets are not material to the financial planning tasks.

Standing Letters of Authorization

ESSENTIAL PLANNING, LLC provides services on behalf of its clients that require disclosure at ADV Part 1, Item 9. In particular, certain clients have signed asset transfer authorizations that permit the client's qualified custodian to rely upon instructions from ESSENTIAL PLANNING, LLC to transfer client funds to "third parties." In accordance with the guidance provided in the SEC Staff's February 21, 2017 Investment Adviser Association No-Action Letter, the affected accounts are not subjected to an annual surprise CPA examination.

Investment Discretion

Discretionary Authority for Trading

Often ESSENTIAL PLANNING, LLC. is granted discretionary authority from its clients. This means that the firm may make certain transactions for certain clients without the clients advance approval.

Limited Power of Attorney

A limited power of attorney is, amongst other things, a trading authorization. Clients often sign a limited power of attorney so that we may execute the trades.

Voting Client Securities

Proxy Votes

ESSENTIAL PLANNING, LLC does not vote proxies on securities. Clients are encouraged to consider and to vote their own proxies.

When assistance on voting proxies is requested, ESSENTIAL PLANNING,

LLC will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

Financial Information

Financial Condition

ESSENTIAL PLANNING, LLC does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because ESSENTIAL PLANNING, LLC does not serve as a custodian for client funds or securities and does not require prepayment of fees of more than \$1,200 per client, and six months or more in advance.

Notwithstanding the above, and in light of the economic uncertainty surrounding the COVID-19 global pandemic, ESSENTIAL PLANNING, LLC applied for and received a loan under the Paycheck Protection Program of the CARES Act, the proceeds of which totaled approximately \$78,900. ESSENTIAL PLANNING, LLC intends to use this loan to pay qualifying expenses, which may include: payroll costs, the continuation of healthcare and insurance benefits for its employees, mortgage interest, rent, utilities, and other relevant firm expenses.