

**PART 2A OF FORM ADV: FIRM BROCHURE**



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**This Brochure provides information about the qualifications and business practices of BrightPlan LLC (“BrightPlan”). If you have any questions about the contents of this Brochure, please contact us at [legal@brightplan.com](mailto:legal@brightplan.com) or by telephone at (408) 933-6188. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority, and references in this Brochure to BrightPlan as a “registered investment adviser” are not intended to imply a certain level of skill or training.**

**Additional information about BrightPlan is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **ITEM 2 – MATERIAL CHANGES**

The following material changes have been made since our last annual amendment dated March 22, 2023.

This brochure has been updated throughout to reflect that BrightPlan no longer offers discretionary investment management services. All investment advice is provided on a non-discretionary basis and must be implemented by the client.

Item 10 has been updated to reflect the current status of the strategic relationship which BrightPlan has entered into with Plancorp, LLC an affiliated registered investment advisor.

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## **ITEM 4 – ADVISORY BUSINESS**

### **A. General Description of Advisory Firm**

BrightPlan LLC (“BrightPlan”) offers a comprehensive employee financial wellness service (“Financial Wellness”) that includes education, goals-based planning, investment advice, and comprehensive personal financial management that helps employees achieve financial success. Our advice is personalized, actionable and integrated with employer benefits. BrightPlan is led by a team of experienced Silicon Valley executives and technology innovators with extensive software and industry expertise. BrightPlan combines transformational digital capabilities with access to financial advisors to make wealth management accessible to everyone, regardless of net worth. BrightPlan is a Delaware limited liability company formed in 2015 and is a wholly owned subsidiary of BrightPlan Group, Inc. (“BPG”). No individual or entity owns more than 25% of BPG.

BrightPlan is focused on the Employee Financial Wellness market. Employers are recognizing that employee financial stress is impacting employee well-being and their bottom line. Stressed employees are less productive, miss more work, are less engaged and more likely to leave their jobs. Many employers are looking to Financial Wellness programs that provide education and tools to help employees adopt positive financial behaviors to manage their finances, achieve their long-term financial goals and help protect against key financial risks. BrightPlan works with employers who provide it as a benefit for their employees. Additionally, Employees may choose to invest through BrightPlan and pay an additional fee based on assets under management.

BrightPlan is certified by the Centre for Fiduciary Excellence, LLC (“CEFEX”) as having met their standards for Fiduciary Practices for Investment Advisors. The issuance of a Certificate of Registration and mark by CEFEX following the conclusion of the assessment process signifies that the investment advisor is generally meeting the Fiduciary Standard for the matters and for the time period covered by the certificate, subject to the limitations on scope expressed on the certificate. This certification is valid for twelve months. BrightPlan was first certified in 2017 and has been recertified every year since.

### **B. Summary of Services Offered**

BrightPlan’s mission is to make financial success attainable for everyone. When you build a plan tailored to your unique aspirations and dreams, you can make better financial decisions. And better financial decisions can improve your probability of long-term success.

BrightPlan works with employers who wish to offer the BrightPlan service as a Financial Wellness benefit to their US employees.

BrightPlan uses patented, proprietary technology to provide integrated digital and human solutions to provide financial education, planning, investment, and day to day money management services through its website at [www.brightplan.com](http://www.brightplan.com) and through its mobile application.

BrightPlan's service provides clients:

- The digital BrightPlan Financial Wellness Coach™ to guide clients to build their financial plan
- An overview of their personal finances including net worth, spending analysis, budgeting, debt reduction and cash flow tracking
- Asset allocation recommendations based on their unique goals and risk tolerance
- Ongoing monitoring of the plan to help clients stay on track
- Equity Compensation Planner to assist in the tracking of grants and vesting of equity compensation
- Education on financial topics, including managing personal finances, money and investing
- Access to a human financial advisor

When clients prepare financial plans using the BrightPlan automated tools, each goal receives its own investment asset allocation recommendation. Clients may opt to personally apply BrightPlan's recommendations on their own external accounts, see below BrightPlan's non-discretionary services.

In addition to the website and mobile application, clients have access to a team of financial planners via video conference and/or telephone. Financial planners can help clients evaluate their financial goals and objectives, and provide general assistance with the products and services provided by BrightPlan. They help clients evaluate their ability to meet their identified goal(s); however, they are not obligated to provide ongoing financial planning advice, update any analysis provided, or monitor Client progress toward a goal. BrightPlan utilizes a sub-advisor to assist with these consultations and as such the financial planner may be a representative of BrightPlan or of BrightPlan's sub-advisor. Please see Item 10 for more information about this sub-advisory relationship.

### **Non-Discretionary Services**

Clients can use BrightPlan's planning tools to discover their goals and receive a plan to reach them. By linking external savings, investment, employer-sponsored retirement plans, and other financial accounts, clients can track their progress toward their goals over time. After linking accounts, clients can also gain insights into their financial situation, including budgeting, the ability to monitor their net worth, cash flow, transactions, and investment strategy across their linked accounts.

Each goal also includes a BrightPlan recommended asset allocation which clients can implement independently through their account custodian or plan sponsor. For goals linked to an employer-sponsored plan, if an employer opts into the service, the BrightPlan application is able to provide security specific recommendations. BrightPlan's sub-advisor will analyze the investments available in the plan and recommend which securities to use to implement the asset allocation. The client is then responsible for working with their plan sponsor to implement the recommendation.

Clients may adjust their goals and risk tolerance on the website at any time.

## **Responsibility of Clients**

BrightPlan relies on client information to provide the services. Clients have the responsibility to review and update their profile information and to maintain current and accurate contact information. Recommendations will continue to be based on the client's profile information and it is the client's responsibility to advise BrightPlan through the BrightPlan Website or through a representative if there are any changes. It's important for clients to understand that their profile information, which is used to determine an appropriate asset allocation strategy, will not automatically update as a result of any changes client's model on their own in any financial planning tool that is made available online.

## **Third Party Service Provider Recommendations**

BrightPlan may also recommend the services of third-party non-investment service providers such as tax or accounting advisors. Clients are under no obligation to engage the services of any such recommended third-party service provider and are free to accept or reject any recommendation from BrightPlan. To the extent that a client engages a recommended service provider, such relationships will be directly between the client and such service provider and will be governed by any applicable terms and conditions associated with the engagement.

## **C. Tailoring of Advisory Services and Client Imposed Restrictions**

Investment and financial planning advice are provided by BrightPlan's proprietary software and algorithms, which are overseen and monitored by BrightPlan's Investment Committee. Please see Item 10 for more details.

When a client signs up for BrightPlan's services through [www.brightplan.com](http://www.brightplan.com), the client will be required to input information about his or her finances, life, financial goals, and tolerance for risk. BrightPlan's proprietary software and algorithms use this information to generate investment and financial planning advice, including asset allocation recommendations. Each asset allocation strategy is one in a series of asset allocations that range from conservative (lower risk and return potential) to aggressive (higher risk and return potential).

BrightPlan's software and algorithms select one of several asset allocations that BrightPlan believes is most likely to help the client achieve the client's goals, based on the information provided by the client. BrightPlan's Investment Committee oversees this process and has approved each potential asset allocation. Please see Item 8 for additional information about the asset allocation process.

BrightPlan's services are not for investors looking to actively manage and trade within their own accounts.

**Clients are strongly encouraged to consider their individual circumstances, risk tolerance and needs prior to following any BrightPlan generated recommendation.**

#### **D. Assets Under Management**

As of December 31, 2023, BrightPlan had no regulatory assets under management.

### **ITEM 5 – FEES AND COMPENSATION**

#### **A. Fees and Compensation**

**Subscription Fee:** BrightPlan works with employers to offer Financial Wellness programs, under which employers pay some or all of a negotiated fee on behalf of their employees (“Subscription Fee”). In the event an employee leaves the employer they may opt to remain a client of BrightPlan and pay the Subscription Fee which is no more than \$20 each month.

BrightPlan reserves the right to reduce, waive, or suspend any fee or any part thereof for any period for any client at its sole discretion.

Clients should review Item 5.C. below, which describes other fees, not charged by BrightPlan, that clients should expect to incur from third parties.

#### **B. Fee Calculation and Deduction**

As discussed above, monthly fees are generally paid by a client’s employer. In the event the client is no longer eligible for their employer to pay the monthly fee they may opt to pay the fee directly. In that case monthly fees are payable in advance and charged to the client’s credit card. Clients should read the Fees section of the Investment Advisory Agreement for additional information.

#### **C. Other Fees and Expenses**

BrightPlan’s Subscription Fee does not include any custodial or brokerage expenses that a client’s custodian or broker may charge.

Clients will typically pay transaction and/or custodial expenses in connection with independently implementing any of BrightPlan’s asset allocation recommendations, in addition to the Subscription Fee paid to BrightPlan. These transactions and/or custodial expenses vary and are based on the client’s agreement with their account custodian and/or broker-dealer.

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

BrightPlan does not charge performance-based fees.

### **ITEM 7 – TYPES OF CLIENTS**

BrightPlan serves employers who are seeking to provide high-quality advisory services available to employees who might not otherwise have access. These employees may opt in and become clients of BrightPlan. Clients are not required to have a certain amount of investment experience or sophistication. Any client may create goals, receive a recommended asset allocation, and track progress toward goals with BrightPlan on a non-discretionary basis with no account minimums.

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

### **A. Methods of Analysis and Investment Strategies**

As described in Item 4 BrightPlan provides clients with automated financial planning and asset allocation recommendations via its website. BrightPlan's proprietary software uses the information input by the client through BrightPlan's website to recommend a particular asset allocation for each of the client's goals.

Clients are strongly encouraged to conduct their own analysis and to consider their own individual circumstances, risk tolerance and needs prior to following any BrightPlan recommendation, including before investing in accordance with any recommended asset allocation. The fact that a particular allocation of assets is recommended by BrightPlan cannot be interpreted as a guarantee of future performance. Investing in securities involves risk of loss that clients should be prepared to bear.

#### **Asset Allocation Models:**

The investment philosophy underlying each model asset allocation is grounded in Modern Portfolio Theory, which refers to the process of attempting to maximize return for any level of risk in a portfolio. This risk-reward optimization is accomplished through diversification across asset classes and within asset classes for both equities and fixed-income.

BrightPlan uses its goals-based investment strategy software to recommend the investment asset allocation that BrightPlan believes is best suited for each client and that client's goals. In making these recommendations, BrightPlan's automated software considers the information that the client has provided through BrightPlan's website about the client's goal time horizon, withdrawal timeframe, and risk tolerance.

Information about each recommended asset allocation is available to clients within the BrightPlan application.

### **B. Risk Factors**

Investing in securities, including mutual funds and ETFs, involves risk of loss that clients should be prepared to bear. Client account returns will fluctuate, and you may lose money by investing in securities.

Below are some more specific risks of investing:

**Market Risk.** Clients should have a long-term perspective and be able to tolerate declines in market value. The prices of securities held by funds in which clients invest may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by the funds; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations.



**Management Risk.** BrightPlan's investment approach may fail to produce the intended results. If BrightPlan's perception of the performance of a specific asset class is not realized in the expected time frame, the overall performance of clients' portfolios may suffer. Diversification does not assure or guarantee better performance and cannot eliminate the risk of investment losses.

**Investment Company Risk.** Investments in funds are subject to all of the risks of the underlying securities in which those funds invest (including those described below). In addition, the value of a client's investment in a fund will depend largely on the skill of the fund's adviser. They have no control over the investment strategies, policies or decisions of the funds they recommend and, in the event of dissatisfaction with such a fund, their only option would be to liquidate clients' investments in that fund. Investors in a fund will indirectly bear the fees and expenses payable directly by the fund, including management fees and operational expenses. Fund returns may be volatile, and clients can lose money by investing in funds. ETFs are subject to certain additional risks, including the risk that the market price of the shares of the ETF may trade at prices above or below its net asset value.

Equity Risk. Equity securities tend to be more volatile than other investment choices. The value of a company's stock generally increases or decreases in value based on factors directly relating to that company, such as demand for the company's products or decisions by management. The value of a company's stock is also affected by other factors not directly affecting the company, such as general industry and market conditions. The value of a company's stock can be more volatile than the market as a whole. Small- and mid-cap companies are subject to additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may have a lower trading volume, which may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger companies. Investing in individual companies involves inherent risk.

Fixed Income Risk. The issuer of a fixed income security may be unable or unwilling to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If this occurs, or is perceived as likely to occur, the value of the fixed income security may fall significantly. In addition, if a rating agency gives a fixed income security a lower rating, the value of the security may decline because investors will demand a higher rate of return. As nominal interest rates rise, the value of fixed income securities is likely to decrease. This risk is especially high given the historically low interest rate environment in the United States. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.

REIT Risk. REITs are subject to risks generally associated with investing in real estate, such as (i) possible declines in the value of real estate, (ii) adverse general and local economic conditions, (iii) possible lack of availability of mortgage funds, (iv) changes in interest rates, and (v) environmental problems. In addition, REITs are subject to certain other risks related specifically to their structure and focus such as: dependency upon management skills; limited diversification; the risks of locating and managing financing for projects; heavy cash flow dependency; possible default by borrowers; the costs and potential losses of self-liquidation of one or more holdings; the possibility of failing to maintain exemptions from securities registration; and, in many cases,

relatively small market capitalization, which may result in less market liquidity and greater price volatility.

**Foreign Securities Risk.** Foreign securities are subject to additional risks not typically associated with investments in domestic securities. These risks may include, among others, currency risk, country risks (political, diplomatic, regional conflicts, terrorism, war, social and economic instability, currency devaluations and policies that have the effect of limiting or restricting foreign investment or the movement of assets), different trading practices, less government supervision, less publicly available information, limited trading markets and greater volatility. To the extent that underlying funds invest in issuers located in emerging markets, the risk may be heightened by political changes, changes in taxation, or currency controls that could adversely affect the values of these investments. Emerging markets have traditionally been more volatile than the markets of developed countries with more mature economies.

**Municipal Securities Risk.** Municipal securities carry certain different risks than those of corporate government- and bank-sponsored debt securities. These risks include the municipality's ability to raise additional tax revenue or other revenue (in the event the bonds are revenue bonds) to pay interest on its debt and to retire its debt at maturity. Municipal bonds are generally tax-free at the federal level, but may be taxable in individual states other than the state in which both the investor and municipal issuer are domiciled.

**U.S. Government Securities Risk.** Securities of U.S. government sponsored entities, such as Freddie Mac or Fannie Mae, are neither issued nor guaranteed by the U.S. government. It is possible that the U.S. government would not provide financial support to its agencies or instrumentalities if it is not required to do so by law. If a U.S. government agency or instrumentality in which an underlying fund invests defaults and the U.S. government does not stand behind the obligation, the value and yield of the security would be expected to fall.

**Technology Risk.** BrightPlan uses its proprietary software system to analyze the information provided by a client and to make recommendations to the client based on the software's analysis of that information. Technology and software malfunctions, programming inaccuracies, inadvertent system and human errors, and similar circumstances could impair the performance of BrightPlan's systems, which may negatively impact the quality and applicability of BrightPlan's recommendations to clients.

**Cybersecurity Risk.** BrightPlan depends on its computer and technological systems to provide investment recommendations, reporting, and other services to clients. These systems are vulnerable to information security, operational, and related risks resulting from third-party cyber-attacks and/or other technological malfunctions. Cyber-attacks may involve hackers and other unauthorized individuals gaining access to or misappropriating client information, stealing or corrupting data, releasing confidential information (including confidential client information) without authorization, preventing legitimate users from accessing their information or services through BrightPlan's website, or causing other operational disruptions. Successful cyber-attacks against or technological breakdowns of BrightPlan or another service provider may adversely affect clients. For example, cyber-attacks may cause the unauthorized release of client confidential information, and may prevent clients from accessing information about their goals. While BrightPlan has security systems and business continuity plans intended to prevent or reduce the

impact of such cyber-attacks and technological malfunctions, these systems and plans are subject to inherent limitations and may not be successful in preventing or reducing the impact of cyber-attacks or technological malfunctions.

## **ITEM 9 – DISCIPLINARY INFORMATION**

No material items to report.

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

Plancorp, LLC (“Plancorp”), an SEC registered investment advisor holds a minority ownership in BPG, the parent company of BrightPlan. BrightPlan and Plancorp have formed a strategic relationship which includes the activities described below. BrightPlan and Plancorp share a Chief Investment Officer. BrightPlan’s Chief Executive Officer is also a member of the Plancorp Board of Managers. Plancorp’s Chief Executive Officer is a member of the BPG Board. For more information about Plancorp, please review Plancorp’s separate Form ADV, Part 2A Brochure, available at [Plancorp ADV](#).

As mentioned in Item 4 BrightPlan has engaged Plancorp as a sub-advisor. These sub-advisory services include providing analysis and security specific recommendations of investments available in certain client’s retirement plans, if their employer opts into the service. Plancorp may also provide financial planners to discuss financial planning and investing matters directly with BrightPlan clients. BrightPlan will pay a fee to Plancorp for both of these services. This sub-advisory relationship will not affect the overall fees each client or their employer pays to BrightPlan.

BrightPlan will from time to time recommend Plancorp, to clients who may benefit from more tailored investment management services. Plancorp will pay a fee to BrightPlan for each new client referred by BrightPlan. The payment of these fees represents a conflict of interest because BrightPlan has an incentive to refer clients to Plancorp and not to a different adviser who pays no fees to BrightPlan. BrightPlan addresses this conflict by disclosing it in this Brochure and at the time of any referral.

BrightPlan also provides and hosts a version of their application for use by Plancorp employees and clients. Plancorp pays BrightPlan a fee for these hosting services as well.

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

BrightPlan has adopted a Code of Ethics (the “Code”), which is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940 (the “Advisers Act”). The Code takes into account BrightPlan’s status as a fiduciary and requires all BrightPlan employees to, among other things:

- place the interests of clients above their own interests;
- comply with applicable federal securities laws; and
- promptly report violations of the Code to BrightPlan’s Chief Compliance Officer.

BrightPlan's employees may from time to time buy or sell securities for their personal accounts that are also recommended to or held by BrightPlan's clients. Potential conflicts of interest may arise in these situations to the extent that BrightPlan's employees are able to use their knowledge about pending or currently considered securities transactions for clients to profit personally. However, because BrightPlan primarily recommends asset allocations and not investment in any specific security, BrightPlan believes that it is unlikely that an employee could benefit from his or her knowledge of client transactions. Regardless, to address potential conflicts, and as required by Rule 204A-1 of the Advisers Act, BrightPlan's Access Persons, must provide BrightPlan's Chief Compliance Officer with a list of their personal accounts and an initial holdings report within 10 days of hire. BrightPlan also requires its Access Persons to report their securities transactions on a quarterly basis thereafter and disclose their securities holdings on an annual basis.

The Code also includes insider trading policies and procedures designed to prevent the improper use of material, non-public information. BrightPlan and its personnel are prohibited from trading for their personal account, or recommending trading in, any securities while in possession of material, non-public information about such securities or their issuer, and from disclosing such information to any person not entitled to receive it.

BrightPlan, its employees, or Plancorp may at times give advice and take action in the performance of their duties for some clients or their own accounts that may differ from the advice given, or the timing or nature of actions taken, for other clients or for their proprietary or personal accounts.

Clients or prospective clients may obtain a copy of BrightPlan's Code by contacting the Chief Compliance Officer at [legal@brightplan.com](mailto:legal@brightplan.com).

## **ITEM 12 – BROKERAGE PRACTICES**

BrightPlan does not recommend or select brokers or account custodians. Clients are solely responsible for choosing which broker-dealer or account custodian will execute trades and hold their funds and securities.

## **ITEM 13 – REVIEW OF ACCOUNTS**

Through BrightPlan's website, clients can login to view real-time reporting information about their goal progress, account status, securities positions and balances, key statistics, and other information.

BrightPlan periodically contacts clients to remind them to review and update the profile information they previously provided through BrightPlan's website. Because BrightPlan's advice and recommendations, including the recommended asset allocations are based on the financial and other information submitted by the client through BrightPlan's website, it is important for clients to update this information whenever it changes. A client's failure to timely update the information provided to BrightPlan could materially impact the quality and applicability of BrightPlan's advice and recommendations.

Additionally, BrightPlan periodically runs automated regression testing and performs manual reviews of client accounts.

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

As discussed in Item 10, BrightPlan will from time to time refer clients who may benefit from more tailored investment management services to Plancorp. Plancorp will pay a fee to BrightPlan for each new client referred by BrightPlan. Please see Item 10 for information about the conflicts of interest this creates and how BrightPlan seeks to address these conflicts.

BrightPlan also has agreements with certain unaffiliated third parties to provide referrals to employers who may wish to offer BrightPlan's Financial Wellness service to their employees. BrightPlan compensates these unaffiliated third parties based on the number of employees who establish a relationship with BrightPlan as a result of the referral of their employer to BrightPlan.

#### **ITEM 15 – CUSTODY**

BrightPlan does not have custody of client funds or securities pursuant to Rule 206(4)-2 of the Advisers Act.

#### **ITEM 16 – INVESTMENT DISCRETION**

BrightPlan does not have investment discretion or trading authority over any client account. Clients are solely responsible for implementing any investment advice provided by BrightPlan directly with their account custodian, broker-dealer or 401(k) sponsor.

#### **ITEM 17 – VOTING CLIENT SECURITIES**

BrightPlan has no authority to and will not vote proxies, consent to corporate actions, or exercise similar rights with respect to securities held in client accounts. BrightPlan similarly has no authority to and will not take any action or provide any advice with respect to legal actions, including but not limited to class action lawsuits, involving securities held in client accounts. Rather, clients retain this authority with respect to securities held in their accounts.

#### **ITEM 18 – FINANCIAL INFORMATION**

BrightPlan is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its clients.