

Item 1 – Cover Page

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This brochure provides information about the qualifications and investment advisory business practices of Lifetime Planning, Inc. If you have any questions about the contents of this brochure please contact us at 805-987-8938 or david.smith@securitiesamerica.com. 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.

Additional information about Lifetime Planning, Inc. is also available on the Internet at www.adviserinfo.sec.gov. You can find our firm's information on this website by searching for our firm name Lifetime Planning, Inc. or our firm CRD number **111784**.

*Registration as an investment advisor does not imply a certain level of skill or training.

Item 2 – Material Changes

On July 28, 2010, the United States Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by applicable rules and regulations. This Disclosure Brochure dated June 2011 is a new document prepared according to the new requirements and rules. This item will discuss specific material changes that have been made to the Disclosure Brochure. Prior to this version of the brochure, our last update to the disclosure brochure was in April 2011.

In the past we have offered or delivered information about our firm’s qualifications and business practices to clients on at least an annual basis. Pursuant to new rules, we will ensure that you receive a summary of any material changes to this and subsequent Disclosure Brochures within 120 days after our fiscal year ends. Our fiscal year ends on December 31 so you will receive the summary of material changes no later than April 30 each year. At that time we will also offer a copy of the most current Disclosure Brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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Item 4 – Advisory Business

Lifetime Planning, Inc. (LP) is a registered investment advisor. Lifetime Planning, Inc. is a corporation formed under the laws of the State of California.

- David Smith is the President and Chief Compliance Officer of Lifetime Planning, Inc. Full details of his educational background and business experience are provided at *Item 19* of this Disclosure Brochure. David Smith and Eric Smith are the owners of LP.

General Description of Primary Advisory Services

The following are brief descriptions of our primary advisory services. More detailed descriptions of our advisory services are provided in *Item 5 – Fees and Compensation* so that clients and prospective clients can review the description of services and description of fees in a side-by-side manner.

Clients should be aware there is a conflict between their interests and our interests. Clients have sole discretion about whether or not to contract for our services. In addition, they have sole discretion about whether or not to implement any recommendations made by our investment advisor representatives (IARs or representatives). If clients do decide to implement recommendations, they are responsible for taking any actions or implementing any transactions required. They are free to select any broker/dealer and/or insurance agent to implement our recommendations.

Financial Planning Services – We provide advisory services in the form of financial planning services. Financial planning services do not involve the active management of client accounts, but instead focus on a client's overall financial situation. Financial planning can be described as helping individuals define and pursue their long-term financial goals using investment analysis, tax planning, asset allocation, risk management, retirement planning, and other areas. The role of a financial planner is to find ways to help the client understand his/her overall financial situation and help the client set financial objectives.

Specialization

LP specializes in financial planning focusing on the topics of college, retirement, income and estate planning.

Limits Advice to Certain Types of Investments

We provide investment advice on the following types of investments.

- Exchange-listed securities (i.e. stocks, exchange traded funds)
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States government securities
- Interests in partnerships investing in real estate

We do not provide advice on warrants, commercial paper, foreign issues, corporate debt securities, options contracts on securities or commodities, futures contracts on tangibles or intangibles, or interests in partnerships investing in oil and gas interests.

Tailor Advisory Services to Individual Needs of Clients

Our services are always provided based on the individual needs of each client. We work with each client on a one-on-one basis through interviews and questionnaires to determine the client's investment objectives and suitability information.

No Client Assets Managed by Lifetime Planning, Inc.

As of May 2011, LP no longer offers asset management services and has no assets under management.

Item 5 – Fees and Compensation

In addition to the information provide in *Item 4 – Advisory Business*, this section provides details regarding LP's advisory services along with descriptions of each service's fees and compensation arrangements. Clients are advised that lower fees for comparable services may be available from other sources.

FINANCIAL PLANNING SERVICES

We offer financial planning services to clients in the forms of consultations and written comprehensive or segmented plans. Financial planning services may include, but are not limited to, advice on insurance, tax issues, college planning, retirement and estate planning and investments.

Consultations

We offer consultations concerning your specific situation and/or objectives. A non-negotiable \$200 hourly fee will be charged for Consultations service. Fees for services are due upon completion of the consultation.

Comprehensive Planning

We offer comprehensive financial planning services. Clients contracting for comprehensive financial planning services will receive a written financial plan that focuses on the client's current financial situation as well as the client's future goals and objectives. Prior to services being provided, LP will provide you with an estimate of the number of hours needed to prepare a written plan. The estimated number of hours will then be multiplied by an hourly rate of \$200 to determine the fixed fee that you will be charged. If the plan takes longer to prepare than originally estimated, you will only be responsible for the fixed fee quoted and agreed upon in the client contract. We will generally charge a maximum fee of \$3,000 for comprehensive planning services. One-half of the fixed fee is due upon signing the client contract. The remainder of the fee is due when the plan is presented or mailed to the client.

Segmented Planning

We offer segmented planning for one or more topics as specified by the client. Clients contracting for segmented planning services will receive a written financial plan that focuses on the client's selected topic(s). Prior to services being provided, LP will provide you with an estimate of the number of hours needed to prepare a written plan. The estimated number of hours will then be multiplied by an hourly rate of \$200 to determine the fixed fee that will be charged. We charge a minimum fee of \$500 for segmented planning services. If the plan takes longer to prepare than originally estimated, you will only be responsible for the fixed fee quoted and agreed upon in the client contract. One-half of the fixed fee is due upon signing the client contract. The remainder of the fee is due when the plan is presented or mailed to you.

Annual Updates

Typically, financial planning services terminate upon completion of the consultation or presentation of the financial plan. Clients who choose to implement LP's advice through one or more of our other investment advisory programs, which are described in this disclosure document, will receive quarterly or annual updates at no additional charge, unless the work to be done is unrelated to the work previously performed by LP. In this instance, we may charge a fee.

We recommend that all clients have their financial plans reviewed and, if necessary, updated at least annually. If a client requests a review and update of a plan previously written by us, the client will be quoted a fixed fee ranging from \$300 - \$500 prior to meeting with us. LP will provide you with an estimate of the number of hours needed to review and update the plan. The fixed fee will be determined by multiplying the estimated number of hours by an hourly rate of \$200. If the plan takes longer to prepare than originally estimated, you are only responsible for the fixed fee quoted. One-half of the fixed fee is due at the signing of your contract with the remaining balance due when the plan is presented or mailed to you.

Premium Planning Services

Premium Planning Services provide financial planning services for clients who want more frequent contact and a higher level of service than is provided with an annual review of their progress for their financial plan. Premium Planning Service clients pay fees on a monthly basis. Fees are billed monthly in arrears. Clients may discontinue Premium Planning Services at any time. Clients who contract for Premium Planning Services are required to execute a new agreement for services annually.

Clients desiring financial planning services can select from four levels of service. Our advisor representatives will explain the services available and assist clients in selecting the level appropriate for them.

Following is a description of the Premium Planning Service levels and their monthly costs.

Bronze Service Level

\$75 per month

Features

- Maintain current financial goals
- Update goals and net worth statement annually
- Up to two face-to-face or telephone client service meetings per year
- Provide access to Lifetime Planning, Inc.'s newsletters, educational programs and meetings
- Review systematic savings programs and 401k allocations
- For retirees, provide annual reviews of investment withdrawal rates & RMD requirements

The Bronze Service Level is recommended for clients who want to come in and review their progress once or twice a year with their advisor representative. People early in their careers who want personal advice will often find the Bronze level to be a perfect match for their needs. Typical clients choosing this level have an income of at least \$75,000 and/or investment assets between \$50,000 and \$100,000.

Silver Service Level

\$100 per month

Features

Includes all services in Bronze level with these additional services or upgrades:

- Up to four telephone or face-to-face client service meetings per year

- On-demand performance statements for most investments
- Consulting with client's other advisors regarding any financial matter
- Estate planning and beneficiary designation reviews

The Silver Level Service is recommended for clients who want a clear picture of their present financial status and a "road map" to achieve their financial goals. People choosing this level have already started saving for their retirement and other goals, but now want professional guidance. Typical clients choosing this level have an income of at least \$100,000 or investment assets between \$100,000 and \$500,000.

Gold Service Level

\$150 per month

Features

Includes all services in Silver level with these changes or upgrades:

- Unlimited client service meetings per year
- Your Advisor Representative will meet annually face-to-face or via telephone with your other primary advisors
- Financial planning advice for immediate family members
- Charitable planning, where applicable
- Annual tax return review for uncovering tax savings strategies

The Gold Service Level is recommended for clients that place a high importance on achieving their financial goals and objectives. Frequently, at this level, the client wants a strategy in writing with a personal advisor monitoring the plan. Often clients want us to coordinate advice from all of their financial professionals. Typically, clients choosing this level have a gross income of at least \$200,000 or investment assets in excess of \$500,000. Customizable plans requiring additional services may be added to the Gold Plan with an additional "Letter of Engagement" detailing the additional services and fees.

Business Services

"Business Services" financial planning offers each business a unique list of services in an "Engagement Letter." If a business accepts the terms of this engagement letter, it becomes the basis of a contract for services that can be terminated by either party with 30 days notice.

Business Services are recommended for entrepreneurs who place a high importance on achieving their financial goals, and protecting their company. Typically clients choose this level because they have challenges that need to be solved. Often they are looking for an advisor that they can trust to coordinate their needs with other professionals. Sometimes they are ready to take their business to the next level and are looking for an advisor to guide them. If Business Services are provided on an hourly basis, the services will be charged at a rate of \$200 per hour. Alternatively, Business Services may be provided for a monthly fee that is negotiated based upon the estimated time to complete the requested Business Services for the Client. The monthly fee may vary based upon the complexity of services to be provided; however, it is anticipated that the monthly fee for Business Services will range from \$250 - \$500 per month.

Workshops

LP may provide educational and informational workshops to the general public as well as to specific industry benefit plan participants. There are no fees for education and/or informational workshops. At no time will we or our associated persons provide individual advice to a company's employees. If the employee would like individualized advice the employee may set-up a consultation, at which time an agreement may be executed.

Termination

Either party may terminate services at any time by providing written notice. If services are terminated within five business days of executing the client contract, services will be terminated without penalty. After the initial five business days, termination will be effective 30 days after receipt of the termination notice. Clients may be responsible for payment of fees for time and effort expended by LP prior to the effective date of termination. Prorated fees are calculated at the rate of \$200 per hour on the time expended to the effective date of termination. Any unearned fees are refunded to clients. We provide a billing statement to clients detailing the prorated refund due to or the prorated fee due from the client.

GENERAL FEE DISCLOSURE INFORMATION

The fees charged by LP may be higher or lower than the cost of similar services offered through other registered investment advisors. At no time will fees of more than \$500 be charged more than six months in advance.

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

Item 6 of the Form ADV Part 2 instructions is not applicable to this Disclosure Brochure because Lifetime Planning, Inc. does not charge or accept performance-based fees. Performance-based fees are fees based on a share of capital gains on or capital appreciation of the assets held within a client's account.

Item 7 – Types of Clients

We generally provide investment advice to the following types of clients:

- Individuals (including high net worth individuals)
- Pension and profit sharing plans
- Trusts, estates or charitable organizations

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

Methods of Analysis

Lifetime Planning, Inc. uses modern portfolio theory to analyze investment portfolios of mutual funds and exchange traded funds. Modern portfolio uses information about the past relationships of various investment classes to construct portfolios to meet various investment objectives. This method strives to create portfolios for given investment objectives with broad diversification and decreased portfolio volatility.

Investment Strategies

Lifetime Planning, Inc. uses the following investment strategies when providing investment advice:

Long term purchases. -- Investments held at least a year.

Short term purchases -- Investments sold within a year.

Use of Primary Method of Analysis or Strategy

Our primary method of analysis or strategy is Modern Portfolio Theory. Some of the risks involved with using this method include the fact that there are periods of time when nearly all asset classes suffer losses at the same time and that there may be extended periods of time when portfolios do not grow. In

addition, historical relationships of asset classes will likely change over time. Past performance may not be indicative of future performance.

Primarily Recommend One Type of Security

We primarily recommend using mutual funds and exchange traded funds. The risks of using mutual funds involve tax consequences of funds being passed on to investors with no control by the investor. Mutual funds may not have future performance that matches their history, and fund managers who created success in the past may leave and be replaced with new managers whose success does not match the manager who leaves. The primary risk of exchange traded funds is while intended to match particular stock or bond indexes, they may not accurately match those chosen indexes during different time periods. Another risk of exchange traded funds is that they may suffer inexplicable temporary losses during times of extreme market volatility that bear no direct relationship to the stocks owned by the exchange traded fund.

Risk of Loss

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

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

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk. When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.

- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produced the expected returns, the value of your investment may decrease.

Item 9 – Disciplinary Information

Item 9 is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

Item 10 – Other Financial Industry Activities and Affiliations

Lifetime Planning, Inc. is **not** and does **not** have a related company that is a (1) broker/dealer, municipal securities dealer, government securities dealer or broker, (2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), (3) other investment adviser or financial planner, (4) futures commission merchant, commodity pool operator, or commodity trading advisor, (5) banking or thrift institution, (6) accountant or accounting firm, (7) lawyer or law firm, (8) insurance company or agency, (9) pension consultant, (10) real estate broker or dealer, or (11) sponsor or syndicator of limited partnerships.

OTHER BUSINESS ACTIVITIES AND MATERIAL ARRANGEMENTS

Although the principal business of LP is providing investment advisory services, LP's IARs are engaged in other activities. The IARs of Lifetime Planning are also Registered Representatives and Investment Advisory Representatives of LPL Financial, an SEC investment adviser and registered Broker/Dealer, member FINRA and SIPC. As such, they spend approximately 80% of their time offering securities products on a commission basis as Registered Representatives of LPL Financial or offering advisory services on a fee basis as Investment Advisory Representatives with LPL Financial. The IARs are also licensed insurance agents and offer various insurance products for which they will be paid a commission. The IARs spend approximately 10% of their time offering insurance products. William Walters spends 1% of his time selling vitamins. Robert Harrell spends 1% of his time providing mortgage services. The remainder of their time is spent acting in the capacity as an IAR of Lifetime Planning.

Clients are under no obligation to purchase or sell securities through the IAR. Clients are free to select any broker/dealer or insurance agent they wish to implement recommendations. However, if the client chooses to implement the financial planning recommendations provided by IAR through Lifetime Planning, then commissions may be earned in addition to any fees paid to Lifetime Planning for advisory services. Commissions may be higher or lower at LPL Financial than at other Broker/Dealers. IARs may have a conflict of interest in having clients purchase securities and/or insurance related products through LPL Financial in that the higher their production with LPL Financial the greater potential for obtaining a

higher pay-out on commissions earned. Further, IARs are restricted to only offering those products and services that have been reviewed and approved for offering to the public through LPL Financial. LPL Financial is a FINRA-registered broker/dealer, and is also licensed as a broker/dealer with the states in which LPL Financial or its representatives offer securities to clients. LPL Financial's Registered Representatives may act as the advisory client's representative in the execution of securities transactions on a normal and customary basis. The applicable provisions of Section 206 of the Investment Adviser's Act of 1940 are strictly complied with in the execution of each transaction. Clients needing long term care, health, disability or life insurance may be referred to life and health insurance agents who are not affiliated with LP.

Robert Harrell, in his individual separate capacity, has a referral relationship with ICM Lending, a mortgage broker. Mr. Harrell may refer clients needing assistance with mortgage or real estate matters to ICM Lending. At a minimum, Mr. Harrell will provide administrative services including data gathering, helping complete the loan application, preparation and communication with the client. For providing these administrative services, ICM Lending pays Mr. Harrell a referral fee for the mortgage business generated. Clients are under no obligation to utilize the services of ICM Lending.

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

Code of Ethics Summary

According to the *Investment Advisers Act of 1940*, an investment advisor is considered a fiduciary and has a fiduciary duty to clients. We have established a Code of Ethics to comply with the requirements of Section 204(A)-1 of the *Investment Advisers Act of 1940* that reflects fiduciary obligations and those of its supervised persons and requires compliance with federal securities laws.

Our Code of Ethics covers all individuals that are classified as “supervised persons”. All employees, officers, directors and investment advisor representatives are classified as supervised persons. We require our supervised persons to consistently act in their client’s best interests in all advisory activities. We impose certain requirements on our affiliates and supervised persons to ensure that they meet the firm’s fiduciary responsibilities to clients. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of our Code of Ethics. You may request a complete copy of the Code of Ethics from LP. LP will provide a copy promptly upon our receipt of your request.

Affiliate and Employee Personal Securities Transactions Disclosure

LP or its associated persons may buy or sell securities or have an interest or position in a security for their personal accounts that they also recommend to clients. LP is and will continue to be in compliance with *The Insider Trading and Securities Fraud Enforcement Act of 1988*. As these situations may represent a potential conflict of interest, it is our policy that no associated person will prefer their own interest to that of any client. To prevent conflicts of interest, we have developed policies and procedures that include personal investment and trading policies for our associated persons, employees and their immediate family members:

- Associated persons will not prefer their own interests to that of the client
- Associated persons will not purchase or sell any security for their personal accounts prior to implementing transactions for client accounts
- Associated persons will not buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investment public upon reasonable inquiry
- Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an “insider”

- Associated persons are discouraged from frequent personal trading
- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted by the applicant principal officer and/or Chief Compliance Officer

To the extent an associated person or LP maintains an outside account, the associated person must make arrangements to send quarterly statements to LP complete an annual certification concerning their personal securities activities and provide additional information about personal trading activities as may be required under the Insider Trading Policy and Code of Ethics. Any associated persons not observing LP policies may be subject to sanctions up to and including termination.

With the exceptions of mutual funds, exchange traded funds, and variable annuities, investment advisor representatives of LP do not buy the same securities suggested to our clients. LP also does not buy individual securities for its own account.

Item 12 – Brokerage Practices

Clients are under no obligation to act on the financial planning recommendations of Lifetime Planning, Inc.

Our advisor representatives are registered representatives of LPL, a full service broker/dealer, member FINRA/SIPC. When selling securities products in this separate capacity, LP representatives may earn commissions.

LP and its advisor representatives recommend LPL Financial for securities sales and for custodial arrangements. Clients wishing to implement LP's advice are free to select any broker they wish and are so informed. If clients wish to have our advisor representatives implement the advice in their capacity as registered representatives, the broker/dealer, LPL Financial will be used. LPL Financial has a wide range of approved securities products for which it performs due diligence. LPL Financial's registered representatives are required to adhere to these products when implementing securities transactions through LPL Financial. Commissions charged for these products may be higher or lower than commissions clients may be able to obtain if transactions were implemented through another broker/dealer.

LP will perform periodic reviews to determine that the relationship with LPL Financial is still in the best interests of its clients.

Soft Dollar

Investment advisors may direct portfolio brokerage commissions to a particular broker/dealer in return for services and research used in making investment decisions in client accounts. The commissions used to acquire these services and research is known as "soft dollars." Section 28(e) of the *Securities Exchange Act of 1934* provides a "safe harbor" that allows an investment advisor to pay more than the lowest available commission for brokerage and research services if it determines in good faith that the commission paid was reasonable in relation to the brokerage and research services provided.

Although we do not allow directed brokerage, individuals that are associated as investment adviser representatives with LP may still receive products and services from LPL Financial, or other program sponsors and product issuers. These products and services may be used for both research and non-research purposes and allows the investment adviser representatives to supplement, at no cost, LP's own research and analysis activities. These products and services can include, but are not limited to:

- Reports, publications and data on matters such as the economy, industries, sectors and individual companies or issuers, statistical information, account and law interpretations, political analyses, legal developments affecting portfolio securities, technical market actions, credit analyses, risk management and analyses of corporate responsibility issues

- On-line news services and financial and market database services
- Information management systems integrating quotation and trading, performance management, accounting, recordkeeping and document retrieval and other administrative matters
- Meetings, seminars, workshops and conferences with representatives of issuers, program sponsors and/or other analysts and specialists

Research obtained with soft dollars is not necessarily utilized for the specific account that generated the soft dollars. LP does not attempt to allocate the relative costs or benefits of research among clients because we believe that, in the aggregate, the research received by the investment adviser representatives benefits all clients and assists LP in fulfilling our overall duty to you.

These arrangements may be deemed to create a conflict of interest to the extent that we would have to pay for some or all of the research and/or services with “hard dollars” if we were unable to obtain the research and services in exchange for commissions in connection with client transactions that are placed by our investment adviser representatives in their separate capacity as registered representatives of LPL Financial. Recommendations made by LP will always be based on your goals and objectives and will not be based on any research, products or other incentives available.

Agency Cross Transactions

Our associated persons are prohibited from engaging in agency cross transactions, meaning they cannot act as brokers for both the sale and purchase of a single security between two different clients and cannot receive compensation in the form of an agency cross commission or principal mark-up for the trades.

Item 13 – Review of Accounts

Account Reviews and Reviewers

We recommend that financial planning clients have their plan reviewed on an annual basis.

Statements and Reports

LP does not produce or deliver account statements. Clients will receive statements at least quarterly from the investment company, broker/dealer, clearing firm or money manager where their account is maintained.

You are encouraged to make appointments with LP to review your reports, answer questions and to discuss any changes or rebalancing we think is warranted.

Item 14 – Client Referrals and Other Compensation

Our advisor representatives sell securities and insurance products in their separate capacities as registered representatives and independent insurance agents. They may earn sales commissions when selling these products. Some of the advice offered by the advisor representatives involves investments in mutual fund products. Load and no-load mutual funds may pay annual distribution charges sometimes referred to as 12(b)-1 fees. Advisor representatives may receive a portion of the 12(b)-1 fee from some investment companies in their separate capacities as registered representatives. Clients should be aware that these 12(b)-1 fees come from fund assets, and thus, indirectly from client assets. The receipt of these fees could represent an incentive for registered representatives to recommend funds with 12(b)-1 fees or higher 12(b)-1 fees over funds with no fees or lower fees, therefore creating a potential conflict of interest. Investment advisor representatives do not receive 12b1 fees for ERISA or qualified accounts.

From time to time, we may receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors.

Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made.

We do not have a related person that is an investment advisor; however, we have relationships with nonaffiliated investment advisors.

Item 15 – Custody

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

Item 16 – Investment Discretion

Advisory services offered by LP are limited to financial planning and consulting services. LP does not accept discretionary authority to manage securities accounts

Item 17 – Voting Client Securities

LP and its advisor representatives will not vote proxies on behalf of clients. You are instructed to read through the information provided with the proxy document and make a determination based on the information. Upon request from the client, the advisor representatives may provide clarifications based on their understanding of issues presented in the proxy materials. You are responsible for all proxy voting decisions.

Item 18 – Financial Information

Item 18 is not applicable to this Disclosure Brochure. We do not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, we have not been the subject of a bankruptcy petition at any time.

Item 19 – Requirements for State-Registered Advisers

Executive Officer and Management Personnel

David Michael Smith, Born 1944

Educational Background:

BA, California State University: 1966

Business Background:

Lifetime Planning, Inc.: President, Investment Advisor Representative, March 2003 to Present

LPL Financial, LLC: Registered Representative and Investment Advisor Representative, May 2011 to Present

Securities America, Inc.: Registered Representative, February 1991 to May 2011

David M. Smith & Associates: Owner, July 1989 to March 2003

Professional Designations:

Certified Financial Planner (CFP®)

Eric Shannon Smith, Born 1972

Educational Background:

BA, University of California at San Diego: 1995

JD, Pepperdine University: 1997

Business Background:

Lifetime Planning, Inc, Secretary/Treasurer, Investment Advisor Representative, 2003 to Present
LPL Financial, LLC: Registered Representative, Investment Advisor Representative, May 2011 to Present

Securities America, Inc.: Registered Representative, June 1999 to May 2011; Sales Assistant, January 1999 to June 1999

Eric Smith: FINRA (previously known as NASD) Arbitrator, 2005 to December 2008

David M. Smith & Associates: Investment Advisor Representative, June 1999 to March 2003;
Financial Planning Intern, January 1999 to June 1999

Professional Designations:

Certified Financial Planner (CFP®)

Other Business Activities

As disclosed in *Item 10 – Other Financial Industry Activities and Affiliations*, LP's investment advisor representatives are engaged in other activities besides investment advisory services.

No Performance Based Fees

As previously disclosed in *Item 6*, LP does not charge performance based fees.

Arbitrations and Securities Issuers

Lifetime Planning or any of its associated persons have not been the subject of any client arbitrations or similar legal disputes.

Neither we nor our management personnel have a relationship or arrangement with any issuer of securities.

Conflicts of Interest

Pursuant to CCR Section 260.238(k), this Disclosure Brochure contains information about all material conflicts of interest regarding us, our representatives or our employees that could reasonably be expected to impair the rendering of unbiased and objective advice.

Item 20 -- Privacy Policy

We are committed to safeguarding the confidential information of each of our clients. We hold all personal information provided to the firm in the strictest confidence. These records include all personal information

collected from clients in connection with any of the services provided by us. We have not disclosed such information to nonaffiliated third parties, except as described in this Privacy Policy, or as required by law, and do not anticipate doing so in the future. If we were to anticipate such a change in firm policy, we would be prohibited under the law from doing so without advising you first. LP uses financial and health information provided by the client to help them meet their personal financial goals, while guarding against any real or perceived infringements on the client's rights of privacy. Our policy, with respect to personal information about the client, is contained in the privacy policy below.

- We limit employee and agent access to information only to those who have a business or professional reason for knowing, and only to non-affiliated parties as permitted by law. (For example, federal regulations permit LP to share a limited amount of information about the client with a brokerage firm in order to execute securities transactions on their behalf. Other examples would be so that we could discuss the client's financial situation with their accountant or lawyer.)
- We maintain a secure office and computer environment to ensure that your information is not placed at unreasonable risk.
- The categories of non-public personal information collected from a client depend upon the scope of the client engagement. It will include information about your personal finances, information about your health to the extent that it is needed for the planning process, information about transactions between you and third parties, and information from consumer reporting agencies.
- For unaffiliated third parties that require access to client personal information, including financial service companies, consultants and auditors, we also require strict confidentiality in agreements with them and expect them to keep the information private. Federal and state regulators also may review firm records as permitted under law.
- LP does not provide your personally identifiable information to mailing list vendors or solicitors for any purpose.
- Personally identifiable information about the client will be maintained during the time they are clients, and for the required time thereafter that such records are required to be maintained by federal and state securities laws, and consistent with the Certified Financial Planner Board of Standards, Inc. (CFP Board) Code of Ethics and Professional Responsibility. After this required period of record retention, all such information will be destroyed.

We may also share client personally identifiable information with the CFP Board as part of complying with the CFP Board's Code of Ethics and Professional Responsibility. If clients prefer that we not disclose their non-public personal information to the CFP Board, they can simply opt out of this disclosure by visiting the firm's web site at www.lifetimplanning.biz and sending an email.

State law prohibits us from sharing any client's personal health information with a third party without the client's permission. If LP makes an application to a life insurance company on your behalf, we will ask for written permission to share the necessary health information with the insurance company or companies in question.