

Form ADV Part 2B Brochure Supplement
David Michael Smith

Item 1 – Cover Page

David Michael Smith
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This brochure supplement provides information about David Michael Smith (“Smith”) that supplements the Lifetime Planning, Inc. (“LP”) brochure. You should have received a copy of that brochure. Please contact Wendy Taylor at 805-987-8938 or wendy.taylor@securitiesamerica.com if you did not receive the LP brochure or if you have any questions about the contents of this supplement.

Additional information about David Michael Smith is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Educational Background and Business Experience

David Michael Smith, Born 1944

Educational Background:

BA, California State University: 1966

Business Background:

Lifetime Planning, Inc, President, Chief Compliance Officer, & Investment Advisor Representative, 2003 to Present;
Securities America, Inc., Registered Principal, 1991 to Present;
David M. Smith & Associates, Owner, Investment Advisor Representative, 1989 to 2002;

Professional Designations:

David Michael Smith holds the Certified Financial Planner (CFP®) designation:

Certified Financial Planner™ (CFP®)

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

CFP Acknowledgment: David Michael Smith acknowledges his responsibility as a CFP® Certificant to adhere to the standards that have been established in the CFP Board's Standards of Professional Conduct. If you become aware that his conduct may violate the Standards of Professional Conduct, you may file a complaint with the CFP Board at www.CFP.net/complaint.

Item 3 – Disciplinary Information

David Michael Smith has no legal or disciplinary events to report.

Item 4 – Other Business Activities

Registered Representative of Securities America, Inc.

David Michael Smith is separately licensed as a registered representative with Securities America, Inc. ("SAI"), a registered securities broker/dealer, member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investors Protection Corporation (SIPC). When acting in his separate capacity as a registered representative of SAI, Smith may sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds, and variable annuity and variable life products to advisory clients. As such, Smith may suggest that advisory clients implement investment advice by purchasing securities products through a commission-based SAI account in addition to a LP advisory account.

The receipt of commissions creates an incentive for Smith to recommend those products for which he will receive a commission. Consequently, the objectivity of the advice rendered to clients could be biased. Smith controls for this potential conflict of interest by discussing with clients the advantages and disadvantages of establishing a fee-based account through LP versus establishing a commission-based account through SAI. LP does not require its advisor representatives to encourage clients to implement investment advice through SAI.

Smith does not earn commissions in fee-based accounts.

Smith will receive 12b-1 fees from certain mutual fund companies as outlined in the fund's prospectus. 12b-1 fees come from fund assets, therefore, indirectly from client assets. The receipt of such fees could represent an incentive for Smith to recommend funds with 12b-1 fees over funds that have no fees or lower fees. Typically, Smith will receive 12b-1 fees only in commission-based brokerage accounts. However, such fees can be earned in fee-based accounts managed by Smith if 12b-1 fee paying mutual funds are held in the managed account. For ERISA accounts, there is an offset for any amount of 12b-1 fees. In such a situation, Smith discusses with clients the selection of a 12b-1 paying mutual fund or other trail paying mutual funds. LP maintains records of all 12b-1 fee payments to Smith which may be viewed by clients upon request.

Clients are never obligated or required to establish accounts through LP or SAI. However, if a client does not choose to accept Smith's advice or decides not to establish an account through SAI, Smith may not be able to provide management and advisory services to the client. Clients should understand that, due to certain regulatory constraints, Smith, in his capacity as a SAI registered representative must place all purchases and sales of securities products in commission-based brokerage accounts through SAI or its other approved institutions.

Insurance Agent

David Smith is independently licensed to sell insurance and annuity products through various insurance companies. When acting in this capacity, he will receive commissions for selling insurance and annuity products.

Smith may also receive other incentive awards for the recommendation/sale of annuities and other insurance products. The receipt of compensation and other incentive benefits may affect his judgment when recommending products to his clients. While Smith endeavors at all times to put the interest of his clients first as a part of his overall fiduciary duty to clients, clients should be aware that the receipt of commissions and additional compensation itself creates a conflict of interest, and may affect Smith's decision making process when making recommendations.

Clients are never obligated or required to purchase insurance products from or through Smith and may choose any independent insurance agent and insurance company to purchase insurance products. Regardless of the insurance agent selected, the insurance agent or agency will receive normal commissions from the sale.

Smith spends approximately 5% of his time on life insurance sales.

Item 5 – Additional Compensation

Other than the fees detailed in LP's Form ADV Part 2A Disclosure Brochure, David Michael Smith receives no other compensation related to advisory services provided to clients.

Item 6 – Supervision

David Smith is the Chief Compliance Officer of LP. He is responsible for developing, overseeing and enforcing the firm's compliance programs that have been established to monitor and supervise the activities and services provided by the firm and its representatives. Smith can be contacted at 805-987-8938.

Item 7 – Requirements for State-Registered Advisers

David Smith has not been involved in an arbitration award and has not been found liable in an arbitration claim alleging damages in excess of \$2,500. He has not been involved in any award or found liable in any civil, self-regulatory organization, or administrative proceeding. Additionally, he has not been the subject of a bankruptcy petition.