

# **Joenco Holdings, LLC**

(dba Clintsman Financial Planning)

## **Firm Brochure**

(Part 2A and 2B of Form ADV)

**Clintsman Financial Planning**

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**817-410-8200**

**[www.ClintsmanFinancialPlanning.com](http://www.ClintsmanFinancialPlanning.com)**

This brochure provides information about the qualifications and business practices of Clintsman Financial Planning. If you have any questions about the contents of this brochure, please contact us at: 817-410-8200, or by email at: [info@ClintsmanFP.com](mailto:info@ClintsmanFP.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. While the firm and its personnel are registered with the Securities and Exchange Commission and State of Texas, it does not imply a certain level of skill or training on the part of the firm or its personnel.

Additional information about Clintsman Financial Planning is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

March 27, 2014

# Material Changes

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## **Form ADV**

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. This brochure dated March 31, 2014 is a new document prepared according to the SEC’s new requirements and rules. As such, this document is materially different in structure, but not in content, and requires certain new information that our previous brochure did not require.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

Currently, our brochure may be requested by contacting Bryan Clintsman, Principal, at 817-410-8200 or [bryan@ClintsmanFP.com](mailto:bryan@ClintsmanFP.com).

## **Summary of Material Changes:**

Item 4- Assets Under Management

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# Advisory Business

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## Firm Description

Clintsman Financial Planning was formed as a Sole Proprietorship in 2002, then reorganized as Jojenco Holdings, LLC (d/b/a Clintsman Financial Planning) in 2006, and has been registered with the Office of the State Securities Board of the State of Texas as a Registered Investment Adviser firm since 2002 and with the Securities and Exchange Commission since 2014. Bryan Clintsman is 100% owner and principal of the firm.

We provide Fee-Only financial planning and investment advice services to individuals of various wealth levels. These services may be general in nature or focused on a particular area of interest or need, depending on the individual's unique circumstances.

An estimated 65% of our activities involve providing investment advice, which may include advice on asset allocation and investment selection, and an estimated 35% of our activities involve providing overall financial planning advice, which may include advice on income and expense planning, tax planning, insurance planning, estate planning, retirement planning and education planning. We also offer Retirement Plan Advisory Services to retirement plan (401k) sponsors and their employees.

Regarding the financial planning and investment advice processes, Phase I involves gathering information about the client's personal financial situation and then conducting a meeting with the client to clarify the client's personal financial information and determine the client's specific needs, objectives, goals and tolerance for risk. Then, we recommend a proper asset allocation based on the client's personal financial situation, and we recommend specific investments to fill out the recommended asset allocation. This concludes Phase I of our services and the client may terminate our services at that time. The client may also re-engage us for Phase II services which include us monitoring the portfolio for necessary ongoing adjustments, and up to one or two annual review meetings with clients depending upon portfolio size. There may be a small number of older, grandfathered clients who monitor their own portfolios and return to us for rebalancing and review services at their own discretion.

Regarding the retirement plan advisory services, first, we meet with the plan sponsors (business owners) to gain an understanding of the philosophy and sophistication of themselves and their employees. Then, we propose a menu of mutual funds which we deem appropriate for the goals of that retirement plan, and this menu of mutual funds often includes a few pre-mixed investment choices (sometimes referred to as a "fund of funds") to make the employee participant's selection of appropriate investments easier. Then, we

will monitor that menu of mutual fund investment choices, including the pre-mixed investment choices, on a quarterly basis to ensure its appropriateness for that retirement plan and its employee participants. Finally, we will also hold an employee participant meeting annually to explain how the retirement plan works and describe the objectives of the individual mutual funds and pre-mixed investment choices. It is each employee participant's responsibility to execute any trades or changes in their individual account investment holdings. The engagement is assumed to continue on a quarterly basis unless the plan sponsor (business owner) terminates the engagement in writing.

Clintsman Financial Planning is strictly a fee-only financial planning and investment management firm. The firm does not receive commissions for purchasing or selling annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. The firm is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted. No finder's fees are accepted. Investment advice is provided and executed on behalf of the client based on our ongoing knowledge of the client's goals, objectives, and risk tolerance. There may be a small number of older, grandfathered clients who have not provided us discretion and in those situations we provide our investment advice but the client makes the final decision on investment selection.

Clintsman Financial Planning does not act as a custodian of client assets. The client always maintains asset control. Clintsman Financial Planning may place trades for clients under a limited power of attorney.

A written evaluation of each client's initial situation is provided to the client, often in the form of a written financial plan or asset allocation schedule. Periodic reviews are also communicated 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 will be disclosed to the client in the unlikely event they should occur.

The initial meeting, called a Get Acquainted 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.

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## **Types of Agreements**

The following agreements define the typical client relationships.

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## **Financial Planning Agreement**

A financial plan is designed to help the client with all aspects of financial planning, and represents Phase I of the financial planning process. Fees for the initial financial plan are listed in the *Fees and Compensation* section below.

The financial plan may include, but is not limited to: analysis of a net worth statement and 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 retirement 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 of the recommendations is at the discretion of the client.

The fee for a financial plan is predicated upon the facts known at the start of the engagement. The fees are package-priced fixed fees, but have been created based on the underlying number of hours our experience has shown to create a financial plan for various sizes and complexities of financial conditions. Some situations, such as small projects or second opinions may be bid on a flat hourly basis, based on hourly rates provided below.

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 in the unlikely event a fee increase is necessary.

After delivery of a financial plan, future review meetings may be provided based on our AMP program described below. Follow-on implementation work, such as account setup and asset transfer services, may be billed separately at standard hourly rates.

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## **Asset Management Program (AMP) Agreement**

The scope of work and fee for an AMP Agreement is provided to the client in writing prior to the start of the relationship. An AMP Agreement includes services related to investments such as: assistance with the initial migration or consolidation of existing investment accounts; analysis and periodic rebalancing of investments; recommendation of adjustments to investment holdings or asset allocation; performance reporting; one or two annual review meetings with one of our advisors; periodic phone calls or email questions, as well as the execution of any trades recommended or required during the year.

The annual AMP Agreement fee is based on a percentage of the investable assets according to the schedule listed in *Fees and Compensation* listed

below. In addition, if any services which fall outside of the scope of investment category are requested by an AMP client during the time they are engaged under the AMP Agreement, these additional services may be billed at our standard hourly rates listed under the *Fees and Compensation* section below. Examples of services outside the scope of investment services include but are not limited to: cost basis research; income tax strategies including but not limited to such things as stock option exercise; education funding analysis; retirement plan calculations or distribution planning; estate planning or insurance analysis, or cash flow and budgeting projects.

Although the AMP 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 with 30 days written notice to the other party. At termination, fees will be billed on a pro rata basis for the portion of the quarter completed, including the 30 day period following receipt of written termination notice. 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.

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#### **Retirement Plan Advisory Services (RPAS) Agreement**

The scope of work and fee for an RPAS Agreement is provided to the client in writing prior to the start of the relationship. An RPAS Agreement includes services related to investment advisory services of a retirement plan such as: analysis of the risk tolerance and financial acumen of the plan sponsor and participant employees; assistance with the initial selection of investment options; quarterly analysis of investment options; recommendation of adjustments to investment holdings and pre-mixed mutual fund asset allocation; annual review meetings with the plan sponsor and participant employees; as well as receiving phone call or email questions from plan sponsor and/or participant employees.

The annual RPAS Agreement fee is based on a percentage of the investable assets according to the schedule listed in *Fees and Compensation* listed below. In addition, if any services which fall outside of the scope of investment category are requested by an RPAS client during the time they are engaged under the RPAS Agreement, these additional services are simply billed at our standard hourly rates listed under the *Fees and Compensation* section below. Examples of services outside the scope of investment services include, but are not limited to: participant employee transaction research; additional participant employee education sessions, or revisions or analysis of retirement plan legal or tax forms.

Although the RPAS 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 30 days written notice to the other party. At termination, fees will be billed on a pro rata basis for the portion of the quarter completed,



including the 30 day period following receipt of written termination notice. 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.

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### **Termination of Agreement**

A Client may terminate any of the aforementioned agreements at any time by notifying Clintsman Financial Planning in writing with 30 days notice and paying the rate for the time spent on the investment advisory engagement prior to notification of termination, plus an additional 30 days of time for services related to terminating the firm's association with the client such as de-linking client investment accounts. If the client made an advance payment, Clintsman Financial Planning will refund any unearned portion of the advance payment using these same parameters.

Clintsman Financial Planning may terminate any of the aforementioned agreements at any time by notifying the client in writing with 30 days notice. If the client made an advance payment, Clintsman Financial Planning will refund any unearned portion of the advance payment, less an additional 30 days of time for services related to terminating the firm's association with the client such as de-linking client investment accounts.

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### **Assets Under Management**

As of December 31, 2013, Clintsman Financial Planning has approximately \$177,052,314 in discretionary assets under management and \$2,421,490 in non-discretionary assets under management.

## **Fees and Compensation**

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### **Description**

Clintsman Financial Planning bases all its fees on a Fee-Only basis. The three methods of Fee-Only billing include a) Hourly, b) Package Fixed Fee, and c) Percentage of assets under management. All fees are negotiable.

Hourly engagement fees are based on the advisor doing the work, billed in six minute increments. Current Hourly rates per hour of our advisors include:

Bryan Clintsman	\$300 per hour
Dan Mauck	\$240 per hour
Randall Crimmings	\$210 per hour
Mandy Sessler	\$210 per hour
Kyle Imhof	\$150 per hour
Zach Reyes	\$150 per hour
Office Manager	\$120 per hour

Client Services Administrator      \$120 per hour

Package Fixed Fee prices for Phase I (creation of the financial plan) are based on the following schedule, which is a result of many factors including the number of financial planning topics a client needs reviewed, the number of financial accounts needing reviewed, the complexity of the work involved, and the estimated number of hours to create the financial plan:

Planning Level	Fee
1	\$1,000
2	\$2,500
3	\$3,500
4	\$5,000
5	\$7,500

Package Fixed Fee prices for Phase II (ongoing review of the portfolio and financial plan) are only offered at the advisor's invitation instead of our AMP program for special circumstances such as the client's inability to change custodians of client assets to Schwab Institutional, grandfathered clients, etc. These fees are:

	Fee Per
Assets	Review Mtg
0 - 200K	\$1,000
200 - 450k	\$1,500
450 - 550k	\$2,000
550 - 750k	\$2,500
750k - 1M	\$3,500
1.0 - 1.7M	\$5,000
1.7 - 2.2M	\$6,500
2.2 - 3.0M	\$8,000
3.0M - up	\$10,000

Percentage of Assets Under Management fees (for AMP Agreement, which is how clients access our services for Phase II ongoing review of their portfolio and financial plan) are based on the following annual schedule:

- 0.90% on the first \$1,000,000;
- 0.70% on the next \$2,000,000 (from 1,000,001 to 3,000,000);
- 0.60% on the next \$2,000,000 (from 3,000,001 to 5,000,000);
- 0.50% on the next \$5,000,000 (from 5,000,001 to 10,000,000); and
- 0.40% on the assets above \$10,000,000.

The minimum annual fee is \$3,000 for portfolios up to \$499,999 and \$5,000 for portfolios over \$500,000.

Percentage of Assets Under Management fees (for RPAS Agreement) are based on the following annual schedule:

- 1.00% on the first \$1,000,000;
- 0.90% on the next \$2,000,000 (from 1,000,001 to 3,000,000);
- 0.75% on the next \$2,000,000 (from 3,000,001 to 5,000,000);
- 0.60% on the next \$5,000,000 (from 5,000,001 to 10,000,000);
- 0.50% on the next \$15,000,000 (from 10,000,001 to 25,000,000);
- and
- negotiable on the assets above \$25,000,000.

The minimum annual fee is \$5,000.

Clintsman Financial Planning does not charge any performance based fees. We do not sell any financial products nor do we receive any commissions. We are paid solely by client fees on a Fixed Fee or assets under management basis. Because we do not have the pressure or incentive to sell or recommend financial products, we have no conflicts of interest. Our sole fiduciary responsibility is to the client.

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### **Fee Billing**

**Phase I Financial Planning Fees:** We require a deposit for engagements in the amount of the lesser of \$500 or half of the total estimated fee. The balance of fees due is payable immediately upon presentation of the advice to the client. Fees will not be pre-collected for services to be performed more than six months in advance and in excess of \$500. For each engagement, proposed services and estimated fees are detailed in the written service agreement. Either party may terminate an engagement upon written notice within five days of signing the service agreement, at which time no fees are

due. If the client terminates the engagement after this date, the client is responsible for any fees already incurred.

Assets Under Management fees are billed quarterly, in *advance*, meaning that we invoice you *before* the three-month billing period has begun *based on the previous quarter's ending balance*. 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. Should the client terminate involvement in the AMP or RPAS program during a calendar quarter, the client is only responsible for the pro-rata amount of that quarter's fees represented as the first day of the calendar quarter through the day of termination notice plus 30 days. However, client must give 30 days written notice of intent to terminate.

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**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. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

Clients are free to use any custodian of their choice to purchase any of the mutual funds, ETF's, or other investments we recommend. Any fees, commissions and other expenses charged by the custodian are completely separate from our fees. Clients are encouraged to obtain a complete schedule of these fees from the service provider prior to entering into any engagement with a custodian. Clintsman Financial Planning does not receive commissions or third-party payments from any custodian, mutual fund, or other investment company.

## Types of Clients

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**Description**

Clintsman Financial Planning provides its services primarily to individuals. Under our RPAS program we also provide our services to employers and employees of retirement plans. We do not require minimums as to income, assets, net worth, length of engagement, or other conditions for engaging our services.

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**Account Minimums**

Clients engaged in our Phase I Financial Planning program do not have minimums related to income, assets, net worth, length of engagement or other conditions for engaging our services.

Clients engaged in our AMP Agreement for ongoing financial planning services will be assessed a \$3,000 (up to portfolio balances of \$499,999) or

\$5,000 (portfolio balances over \$500,000) minimum annual fee. Due to these minimum annual fees, clients with assets below the minimum account size may pay a higher percentage rate on their annual fees than the fees paid by clients with greater assets under management.

Clients engaged in our RPAS Agreement services will be assessed a \$5,000 minimum annual fee. Clients with assets below the minimum account size may pay a higher percentage rate on their annual fees than the fees paid by clients with greater assets under management.

## Methods of Analysis, Investment Strategies and Risk of Loss

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### Methods of Analysis

If Clintsman Financial Planning is engaged to provide investment advice, first, we gather information about the client's personal financial situation and then conduct a meeting with the client to clarify the client's personal financial information and determine the client's specific needs, objectives, goals and tolerance for risk. We primarily employ a fundamental, long-term, buy-and-hold philosophy in regards to investment advice. We favor a passive approach to investing, when appropriate for the client.

Next, we recommend a proper asset allocation based on the client's personal financial situation. We make asset allocation and investment policy decisions using our best judgment to help the client achieve their overall financial objectives and goals while minimizing risk exposure. We believe that the appropriate allocation of assets across diverse investment categories (i.e. stock vs. bond, foreign vs. domestic, large cap. vs. small cap., high quality vs. high yield, etc.) is the primary determinant of portfolio returns and is critical to the long-term success of a client's financial objectives and goals. Then, we recommend specific investments, primarily low-cost, no-load, index investments, to fill out the recommended asset allocation. Finally, we recommend that the portfolio be maintained by rebalancing about annually and/or making adjustments as needed.

While we believe our investment strategy is designed to potentially produce the highest possible return for a given level of risk, it cannot guarantee that an investment objective or goal will be achieved. Some investment decisions made by us may result in loss, which may include the original principal amount invested. The client must be able to bear the various risks involved in investing, which may include market risk, liquidity risk, interest rate risk, currency risk or political risk, among others. Low-cost, no-load, index investments have the potential to be affected by tracking error risk, which is defined as a deviation from the stated benchmark index.

## Disciplinary Information

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### **Legal and Disciplinary**

Neither the firm nor its employees have been involved in legal or disciplinary events related to past or present investment clients.

## Other Financial Industry Activities and Affiliations

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### **Financial Industry Activities**

Clintsman Financial Planning is focused exclusively on providing financial planning advice. One advisor only (Bryan Clintsman) also maintains a part-time consulting relationship with Ernst & Young (also a Fee-Only financial planning firm) whereby they may request that he teach financial planning educational workshops for Ernst & Young client companies. When doing so, Bryan Clintsman is acting solely as a representative of Ernst & Young, and not a representative of Clintsman Financial Planning.

As a service to clients, Clintsman Financial Planning may provide referrals to other professionals such as CPA, attorneys, etc. However, we do not have agreements with nor do we receive any referral fees from any other professionals.

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## **Affiliations**

Bryan Clintsman is a member of the Garrett Planning Network (GPN), an organization that assists financial planners in fee-only financial planning practices. GPN is not a registered financial industry participant, nor do its activities require it to be. Bryan Clintsman pays an annual membership fee to GPN for services that include training, compliance and operational support to enhance our ability to provide quality service and advice to our clients.

Our advisors are also a member of National Association of Personal Financial Advisors (NAPFA), the Financial Planning Association (FPA) and the Certified Financial Planner Board of Standards, Inc. Generally, participation in these entities requires membership fees to be paid, adherence to ethical guidelines, and meeting experiential and educational requirements.

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

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### **Code of Ethics**

Clintsman Financial Planning has adopted a code of ethics that sets forth the basic policies of ethical conduct for all associated persons of the firm. We accept the obligation not only to comply with the mandates and requirements of all applicable laws and regulation, but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities. We will be happy to provide a copy of our code of ethics to any client or prospective client, upon request.

At times personnel and related parties may hold positions in investments that are also recommended to the client. We may make recommendations or take actions with respect to investments that may differ in the nature or timing from recommendations made to, or actions taken for, other clients or personnel. However, at no time will the personnel or any related party receive preferential treatment over the client.

Clintsman Financial Planning adheres to the Certified Financial Planner Standards of Professional Conduct, which may be found at: <http://www.cfp.net/about-cfp-board/ethics-enforcement/standards-of-professional-conduct> and the National Association of Personal Financial Advisors Fiduciary Oath, which can be found at [www.napfa.org/about/fiduciaryoath.asp](http://www.napfa.org/about/fiduciaryoath.asp).

## Brokerage Practices

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### **Selecting Brokerage Firms**

Clintsman Financial Planning is not affiliated with any bank, custodian or brokerage firm. If we are engaged to provide investment advice, we will offer to use the service provider with whom the client's assets are currently maintained. If the client prefers to use a new service provider, we will recommend one based on the need, overall cost and ease of use for the client.

Clients of Clintsman Financial Planning are able to establish investment accounts with Schwab Institutional if they choose to do so. In doing so, they qualify for preferred relationship status vs. Schwab Retail accounts, including access to institutional class shares of mutual funds, a dedicated customer service team, and the possibility of waived or reduced transaction and/or commission fees on some mutual funds or securities. Clients are free to accept or decline the availability of this Schwab Institutional relationship.

Clintsman Financial Planning does not receive direct fees or commissions from any of these arrangements – as a Fee Only advisor our fees are paid directly by the client. Therefore, we do not receive any additional compensation when the client engages a recommended brokerage firm or other service provider. However, Schwab Institutional does provide Clintsman Financial Planning with various support services at no cost which might otherwise have a cost if it not for the amount of client assets our clients custody at Schwab Institutional. These support services may include things like industry research reports, continuing education events, and technology/business consulting. Schwab Institutional may discount or waive its fees for some of these services or pay all or a part of a third party's fees when it benefits our clients or client's accounts.

We do not require or engage in directed brokerage involving our accounts. We recognize our obligation in seeking "best execution" for our clients, however, it is our belief that the determinative factor is not always the lowest possible cost, but whether the selected service provider's transactions represent the best qualitative execution while also taking into consideration the full range of services provided. Therefore, we will seek services involving competitive rates, but that may not correlate to the lowest possible rate for every transaction. We periodically review our policies regarding recommending service providers, in light of our duty to seek "best execution".

## Review of Accounts

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### **Periodic Reviews**

Fixed Fee clients: Periodic financial check-ups and portfolio reviews are recommended, and reminders may be sent to clients, but it is the



responsibility of the client to return for these reviews. Financial plans and portfolios are only reviewed based on a client request.

AMP clients: Periodic financial check-ups and portfolio reviews are offered on an annual or semi-annual basis (depending upon portfolio size), and are still created based on a client request, but we do send courtesy reminders to clients about these review meetings. At each review portfolios are reviewed against client objectives and adjustments may be made.

AMP clients, and some Fixed Fee clients, have provided Clintsman Financial Planning with the discretion to make investment trades on an as-needed basis throughout the year. These portfolio adjustments will only be made when, at the discretion of Clintsman Financial Planning, these changes are necessary due to changes in the investment markets, changes in the investments themselves, or changes in the goals and objectives of the client. Clients are able to set automatic alerts to themselves within their custodial investment accounts to notify themselves of these portfolio changes. Portfolio adjustments are also reviewed after the fact with clients by their advisor at their ongoing review meetings.

Clintsman Financial Planning uses two types of portfolios for client accounts: Strategic and Tactical. Strategic portfolios are designed for portfolios less than \$500,000, use primarily index or passive funds, and absent major market fluctuations are designed to have both the allocation and fund selections reviewed once per year. Tactical portfolios are designed for portfolios greater than \$500,000, use a combination of passive and active funds, and both the allocation and fund selections are reviewed at least monthly. Both Strategic and Tactical portfolios have 6 different model portfolios and each client is assigned to the portfolio which most closely matches their target return, risk level, and investment objectives. These factors are re-verified at least once per year based upon such things as the client's time horizon until financial goals, tax bracket, cashflow, and other items found on the Client Suitability Sheet updated at least annually.

Clintsman Financial Planning ("the firm") employs Envestnet|Tamarac™ as its third party provider for rebalancing software (Advisor Rebalancing). Each day, account information is delivered to Tamarac's Advisor View portfolio accounting system directly from Schwab Institutional, as well as from numerous other custodians via the ByAllAccounts™ aggregation system. ByAllAccounts stores client credential information within their system in an encrypted format and sends daily holding and transaction information directly to Advisor View in a read-only format. The data from these two sources is reconciled by Advisor View's data reconciliation team and delivered to Advisor Rebalancing daily to be accounted for in all trade recommendations.

Using Advisor Rebalancing, the firm monitors clients' individual accounts and households for deviation from their respective target models (assigned to each client based on their risk needs and tolerance), as well as their unique cash needs.

Trades are recommended by Advisor Rebalancing, incorporating the various rules such as (but not limited to): asset location preferences, minimum transaction amount, maximum taxable gain amount, etc. Each trade recommended by Advisor Rebalancing is reviewed by one or more members of the firm's trading team prior to submission via the Schwab web trading platform.

Reviewers may include Bryan Clintsman, Dan Mauck, Amanda Sessler, or Randall Crimmings, all of whom are Certified Financial Planner<sup>TM</sup> practitioners, as well as Kyle Imhof or Zach Reyes who are Certified Financial Planner<sup>TM</sup> Candidates.

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### **Regular Reports**

Fixed Fee clients: Financial summary reports are provided when Clintsman Financial Planning is engaged to provide original or updated financial advice. Clients are encouraged to return periodically for a portfolio review. Therefore, the frequency of financial summary reports depends on the frequency of which clients choose to return for a review.

AMP Clients: Financial plans are still created based upon a client request for a review meeting up to two times per year, but investment performance reports are automatically provided to clients quarterly. These performance reports include information about portfolio value, rate of return for the period, and asset allocation.

Both types of clients will also receive account statements directly from mutual fund companies and/or brokerage companies in which they hold investments. These statements are typically provided on a monthly basis.

## **Client Referrals and Other Compensation**

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### **Incoming Referrals**

Clintsman Financial Planning does not receive, nor does it pay, any fees for client referrals.

## **Custody**

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### **SEC "Custody"**

Clintsman Financial Planning does not take custody of client cash, bank accounts or securities. The client's cash, bank accounts and securities will be maintained by unaffiliated, qualified custodians, such as banks, brokerage firms, mutual fund companies and transfer agents. The client will receive account statements directly from their service provider. These statements are typically provided on a monthly or quarterly basis or as account transactions occur.

Firm personnel will not act as trustee for, or have full power of attorney over, a client account, unless as a co-trustee of an immediate or incompetent family member.

## Investment Discretion

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### **Discretionary Authority for Trading**

Clintsman Financial Planning provides discretionary investment management services for most clients. Clintsman Financial Planning makes the ongoing decision whether or not to proceed with any investment changes. However, since Clintsman Financial Planning does not take custody of any client assets, clients always maintain the ability to make their own trades and changes to their portfolio at any time.

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### **Limited Power of Attorney**

A limited power of attorney is a limited trading authorization for this purpose. You sign a limited power of attorney so that we may execute the trades that we recommend in your accounts.

## Voting Client Securities

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### **Proxy Votes**

Clintsman Financial Planning does not vote client securities. The client will maintain responsibility for directing the manner in which proxies are voted, as well as all other elections relative to mergers, acquisitions, tender offers or other events pertaining to the client's investments. The client will receive their proxies and other solicitations directly from the custodian or transfer agent for their investments.

## Financial Information

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### **Financial Condition**

A balance sheet is not required to be provided because Clintsman Financial Planning does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$600 per client, and six months or more in advance.

## Requirements for State Registered Advisers

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**Not applicable, we are an SEC registered investment adviser**

## Business Continuity Plan

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### **General**

Clintsman Financial Planning has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

## Information Security Program

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### **Privacy Notice**

Clintsman Financial Planning is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us. We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

All non-public, personal information exchanged between client and advisor shall be treated as confidential and shall not be disclosed to third parties, except as expressly requested by client, or as required by law. In addition, advisor maintains standards of confidentiality and privacy which are consistent with the Certified Financial Planning Board Code of Ethics and Professional Responsibility. Finally, Clintsman Financial Planning maintains its own written Privacy Policy and we will notify you if our Privacy Policy changes. We are required by law to deliver this Privacy Policy to you annually, in writing.