

# **First Ohio Planning, LLC**

1429 King Avenue, Suite 100

Columbus, OH 43212

(614) 486-0691

[www.FirstOhioPlanning.com](http://www.FirstOhioPlanning.com)

**April 10, 2013**

This Brochure provides information about the qualifications and business practices of First Ohio Planning, LLC. If you have any questions about the contents of this Brochure, please contact us at 614-486-0691 or at [www.FirstOhioPlanning.com](http://www.FirstOhioPlanning.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.

First Ohio Planning, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about First Ohio Planning, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Our Firm IARD/CRD number is 144498.

## Item 2 - Material Changes

At least annually, this section will discuss only specific material changes that are made to the Brochure of First Ohio Planning, LLC (hereinafter referred to as “First Ohio Planning”) and provide you with a summary of such changes. Additionally, reference to the date of the last annual update to this Brochure will be provided.

Our last annual updating amendment occurred on March 1, 2012. The changes made to our Brochure since then are as follows:

### Item 4

- First Ohio Planning, a state-registered adviser from 1994 to 2013, filed for registration with the Securities and Exchange Commission in March 2013.
- Under our Retirement Plan Consulting Services, we will conduct a review every three to five years of fees and costs charged to the Plan by other service providers to determine reasonableness of fees and costs.
- First Ohio Planning offers continuous and ongoing asset management services on a discretionary basis.
- As of March 15, 2013, we have approximately \$133.4 million of client assets under our discretionary management.

### Item 5

- Fees for our asset management services are specified.
- We aggregate related accounts for fee calculations under the Schwab Comprehensive Service. Under certain circumstances, assets under our Schwab Lite Service may apply.

### Item 10

- Advisory Representatives of First Ohio Planning are separately licensed as registered representatives of Royal Alliance Associates, Inc., a FINRA member broker dealer, and some are licensed insurance agents. We disclose the conflicts of interest this presents and how we deal with these conflicts.

### Item 12

- We do not aggregate the purchase or sale of securities for various client accounts. As stated in Item 4, we construct customized portfolios using open end mutual funds and exchange traded funds (ETFs).

### Item 14

- Product vendors recommended by First Ohio Planning may provide monetary and non-monetary assistance with client events, provide educational tools and resources. While the receipt of products or services is a benefit for you and us, it also presents a potential conflict of interest.
- As registered representatives of Royal Alliance, our Advisory Representatives are offered educational, training and incentive programs for those that meet certain sales production goals. There may be an incentive for us to manage your account in ways

## First Ohio Planning, LLC

that assist us in meeting these production goals even if such strategies may not always be suitable for your account.

- Our choice of custodian may be influenced by the services that the custodians available to us provide but do not necessarily benefit your account.
- While our security sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain securities products and are encouraged to ask us about any conflict presented.

### Item 17

- First Ohio Planning does not vote proxies on your behalf. It is your responsibility to vote your proxies. Unless you suppress proxies, the account custodian or transfer agent will send securities proxies directly to you.

### Item 18

- First Ohio Planning will not require you to prepay more than \$1,200 and six or more months in advance of receiving the advisory service; therefore, a balance sheet is not required to be attached.
- If you grant First Ohio Planning discretionary authority over your account(s), that authority does not extend to the withdrawal of any of your assets, with the exception of deduction of First Ohio Planning's advisory fees from your accounts.
- We are financially stable. There is no financial condition that is likely to impair our ability to meet our contractual commitment to you or any other client.
- Neither First Ohio Planning nor any of its Advisory Representatives has ever been the subject of a bankruptcy petition.

### Item 19

- This section is not applicable to First Ohio Planning since it is not state registered. First Ohio Planning is registered with the Securities and Exchange Commission.

A copy of our updated Brochure is available to you free of charge and may be requested by contacting Lisa Miller, Administrative Assistant for James S. Ryan at 614-486-0691, Ext 3 or [lmiller@firstohioplanning.com](mailto:lmiller@firstohioplanning.com). Our Brochure is also available on our web site [www.FirstOhioPlanning.com](http://www.FirstOhioPlanning.com), without charge.

Additional information about First Ohio Planning is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The IARD number for First Ohio Planning is 144498. The SEC's web site also provides information about any persons affiliated with First Ohio Planning who are registered, or are required to be registered, as Advisory Representatives of First Ohio Planning.

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## **Item 4 - Advisory Business**

First Ohio Planning, LLC (hereinafter referred to as “First Ohio Planning”) is an investment advisory firm offering retirement plan consulting services, asset allocation, and financial planning/consulting services. The firm was formed in 1979 and was registered with the State of Ohio as an investment adviser from 1994 to April 2013. First Ohio Planning filed for registration with the Securities and Exchange Commission in 2013. James S. Ryan, CRD number 1034191, is the sole owner, Managing Member, and Chief Compliance Officer. Jim has been in the financial services industry since 1979. Additional business information about Jim and the other advisory representatives who work with clients is disclosed in the Supplemental Brochures.

First Ohio Planning offers the following advisory services, with each service more fully discussed below:

- Retirement Plan Consulting Services
- Asset Management Services
- Financial Planning Services
- Consulting Services

### **Retirement Plan Consulting Services**

First Ohio Planning through its Advisory Representatives offers retirement consulting services to employee benefit plans and their fiduciaries. The services are designed to assist the plan sponsor (hereafter the “Company”) in meeting their management and fiduciary obligations to the plan under ERISA. Retirement consulting services will consist of general or specific advice, and may include any one or all of the following:

Strategic Planning and Investment Policy Development/Review. First Ohio Planning will meet with the Company and/or its Named Fiduciary or fiduciary delegate to assist them in developing an investment policy statement (hereafter the “IPS”). Alternatively, if the Plan has an existing IPS, we will review the existing IPS and assist the Company, Named Fiduciary and/or fiduciary delegate to determine whether the Plan’s performance is consistent with the IPS and/or whether the IPS needs to be revised, based on an analysis of the Plan’s liquidity requirements, performance goals and risk tolerance levels, using information provided by the Company.

Plan Review. First Ohio Planning will conduct a review of the Plan design and advise the Named Fiduciary whether the Plan is operating in accordance with Plan documents and applicable provisions of ERISA and will review Named Fiduciary's compliance with fiduciary responsibilities, including compliance with requirements for self-directed plans (if applicable) under ERISA Section 404(c);

## First Ohio Planning, LLC

Plan Fee and Cost Review. First Ohio Planning will conduct a review every three to five years of fees and costs charged to the Plan by other service providers to assist Named Fiduciary to determine reasonableness of fees and costs paid by the Plan;

Third Party Service Provider Liaison. First Ohio Planning will act as liaison for the Plan and the Named Fiduciary when dealing with the trustee, custodian, plan actuary and other third party service providers to Plan;

Assessment of Investments. First Ohio Planning will conduct a periodic review of fund expenses, investment performance, and style drift for mutual funds offered by the Plan to participants, comparing them with other funds in the same asset category using Morningstar data from Principia and MPI Stylus and will provide suggestions to the Named Fiduciary from time to time as deemed warranted by the Advisory Representative for alternative mutual fund or ETF options for the Plan to make available to its participants (which decision shall remain the sole and exclusive decision of the Named Fiduciary and/or fiduciary delegate);

Participant Education and Communication. First Ohio Planning will coordinate and/or conduct investment education and enrollment meetings for plan participants as determined by the Company.

The Company may also engage us to provide the following additional services, for separate compensation:

Executive Benefits. First Ohio Planning will review, design and implement nonqualified plans/deferred compensation plans.

Plan Conversion. First Ohio Planning will assist with conversion to alternate vendors, including preparation of Request for Proposal (RFP) from prospective new vendors, and review and compare responses to RFP.

Merger and Acquisition Assistance. First Ohio Planning will perform merger and acquisition due diligence review of pension plan documents and investments for possible merger or termination of duplicate plans.

Compliance Correction. First Ohio Planning will assist with corrective actions as necessary to comply with applicable laws and regulations.

Coordination with Other Advisors. First Ohio Planning will interact with outside advisors, or tax, legal and accounting counsel as necessary.

First Ohio Planning and the Company will determine in advance the scope of services to be performed and the fees for all requested services. Prior to engaging First Ohio Planning to provide pension consulting services, the Company will be required to enter into a written agreement with First Ohio Planning setting forth the terms and conditions of the engagement,

describing the scope of the services to be provided, and the relevant fees and fee paying arrangements. In performing the contracted services, First Ohio Planning shall not be required to verify the accuracy or consistency of any information received from the Company.

All client accounts are regulated under the Employee Retirement Income Securities Act ("ERISA"). First Ohio Planning will provide pension consulting services to the Company as described above. In providing pension consulting services, First Ohio Planning and the Company agree that we will serve in a fiduciary capacity with respect to certain of the services provided, and as referenced in the executed agreement for services. However, the Company is free to seek independent advice about the appropriateness of any recommendations made by First Ohio Planning, or its Advisory Representatives.

Although allowable under certain circumstances, First Ohio Planning, or its Advisory Representatives, will not render advice to utilize any affiliated mutual funds and will not act as broker of record or directly receive any commissions or mutual fund 12b-1 fees from investments of the plan assets.

First Ohio Planning does not provide legal, tax, or actuarial advice and we will not be responsible for ensuring that the IPS and asset allocation choices comply with any legal, actuarial or other requirements that apply to the Plan.

### **Asset Management Services**

First Ohio Planning provides asset management services to individuals, trusts and estates, and for-profit and not-for-profit businesses. Our services are designed for long-term investors seeking to preserve capital and obtain capital growth and income. Following an initial consultation to assess the appropriateness of our services, we will examine your particular financial circumstances through personal discussions and information gathering. Based on your unique circumstance, First Ohio Planning will develop your Investment Policy Statement. First Ohio Planning considers your investment objectives, investment time horizon, and risk profile in creating a statement of investment policy for you.

First Ohio Planning offers continuous and ongoing asset management services. We will manage your advisory accounts on a discretionary basis. Account supervision is guided by the stated objectives (i.e., conservative, moderately conservative, moderate, moderately aggressive and aggressive). We will recommend a customized asset allocation based on your goals and objectives. After you approve an asset allocation, First Ohio Planning will typically recommend implementation of your Investment Policy Statement through the Schwab Mutual Fund Platform offered through Charles Schwab & Co., Inc., which offers a wide assortment of no-load mutual funds. Additionally, Exchange Traded Funds (ETFs) and Certificates of Deposit (CDs) may be used in the implementation. With your written approval as indicated in the Investment Advisory Management Agreement, First Ohio Planning will have discretion to rebalance a portfolio, invest new deposits, and change investments within the assets classes identified in

your Investment Policy Statement. Changes to your asset allocation defined in your Investment Policy Statement may only be made with your prior consent.

We will construct a customized mutual fund and exchange traded fund (ETF) portfolio for you based on your Investment Policy Statement which in turn incorporates your investment objectives, investment time horizon, and risk profile, as defined by a client questionnaire. You may impose holding limits (both minimum and maximum) for each asset class. For example, you may stipulate no commodities in the portfolio, or that your commodity allocation not exceed 5%.

You may contract with First Ohio Planning for either Schwab Lite Service or Schwab Comprehensive service. Clients contracting for Schwab Lite services will receive semi-annual reports and will be offered the opportunity for an annual client meeting in connection with this service.

First Ohio Planning will provide Schwab Comprehensive service clients with quarterly reports and offer the opportunity for quarterly client meetings in connection with this service.

As further described below, Advisory Representatives of First Ohio Planning are associated with Royal Alliance Associates, Inc. ("Royal Alliance") as Registered Representatives. Royal Alliance is a diversified financial services company registered with the Financial Industry Regulatory Authority ("FINRA") as a broker-dealer engaged in the offer and sale of securities products. There is no affiliation between First Ohio Planning and Royal Alliance.

In some cases, previously Established Clients may have purchased Class A share mutual funds through our Advisory Representatives, in their role as Registered Representatives of Royal Alliance. These shares that are being held directly at the mutual fund companies or in a brokerage account, were purchased as a long-term investment. In these situations, and if so desired, clients may transfer these shares to Charles Schwab & Co., Inc. as custodian and exchange them for no-load shares. First Ohio Planning will monitor these accounts and provide a summary report annually.

As of March 15, 2013, First Ohio had approximately \$133.4 million of client assets under our discretionary management. We do not offer non-discretionary asset management services.

### **Financial Planning Services**

First Ohio Planning also provides advice in the form of Financial Plans. Clients will meet with the planner at least 3 times per year. You will receive, in the form of meeting notes, a written financial plan containing recommendations designed to achieve your stated financial goals and objectives.



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First Ohio Planning gathers required information through in-depth personal interviews with you. Information gathered includes current financial status, future goals, and attitudes towards risk. We will ask you to complete our questionnaire to assist us in obtaining information about your financial situation and history. We will carefully review any related documents that you supply. Once we complete our analysis of your situation, we will prepare a draft plan for your approval that is customized to your needs. Should you choose to implement the recommendations contained in the plan, First Ohio Planning suggests you work closely with your attorney, accountant, insurance agent, and/or stockbroker and the planner. Implementation of financial planning recommendations is entirely at your discretion.

In general, the financial plan will address any or all of the following areas of concern:

Personal areas include family records, budgeting, personal liability, estate information and financial goals.

Tax & Cash Flow includes income tax and spending analysis and planning for past, current and future years. First Ohio Planning will discuss the impact of various investments and actions on a client's current income tax and future tax liability.

Death & Disability includes cash needs at death, income needs of surviving spouses and dependents, estate planning and disability income analysis.

Retirement Analysis includes use of current and alternative strategies and investment plans to help the client achieve his or her retirement goals.

Investments include analysis of investment alternatives and their effects on a client's portfolio.

Dependent and College Planning includes a college needs assessment and any special considerations for children or other dependents.

## Consulting Services

First Ohio Planning provides investment advice on a more limited basis regarding investment and financial concerns of the client. We offer a "financial checkup" consultation service which is comprised of two hours of in-person consultation and one hour for the planner to prepare a written report recapping the topics discussed during the meeting.

## Item 5 - Fees and Compensation

### Retirement Plan Consulting Services

The fee for these services may be charged either at a pre-determined hourly rate, a fixed fee or based upon a percentage of the Plan assets. The exact fee will be negotiated in advance of services rendered and shall be clearly set forth in the executed agreement for services between First Ohio Planning and the Company. Fees will be billed quarterly in arrears within 30 days of the quarter end. In special circumstances, other fee-paying arrangements may be negotiated.

Hourly fees are based on an estimate of hours needed as provided in the engagement agreement (client must approve in writing hours above original engagement); considering geographical location, complexity of engagement, size of plan, and other relevant factors.

RANGE: \$50-\$300 per hour

A fixed fee is based on scope of services agreed upon in the engagement agreement, considering geographical location, complexity of engagement, size of plan, and other relevant factors.

RANGE: \$1,500 -\$20,000 +/-

A basis points fee is based on specific asset levels in the plan for dates provided in the engagement agreement.

RANGE: \$0 to \$20,000,000	10-100 bps of AUM
\$20,000,001 to \$40,000,000	5-50 bps of AUM
\$40,000,001 and above	3-25 bps of AUM

At the Company's consent, First Ohio Planning may bill out-of-pocket expenses (such as overnight mailings, messenger, translation fees, etc.) to the Company.

### Asset Management Services

The annual fee for investment management services will be charged as a percentage of assets under management, according to the schedule below:

*Schwab Lite Service:*

Assets under management Annual Fee (%)

Portfolio Value	Fee
\$50,000 and above	0.75%

A minimum of \$50,000 (negotiable) of assets under management is generally required for this service.

Fees will be calculated semi-annually and debited from client accounts in arrears.

*Schwab Comprehensive Service:*

Assets under management Annual Fee (%)

Portfolio Value	Fee
From \$0 - \$249,999	1.2500%
Next \$250,000 - \$499,999	0.9375%
Next \$500,000 - \$749,999	0.6250%
\$750,000 and above	0.3125%

A minimum of \$250,000 of assets under management is generally required for this service. In certain circumstances, this minimum requirement may be negotiable.

Fees may be calculated on a "household" basis. A household is generally defined as a group of accounts which share a common employer, family member(s) or both. Each household is unique. In such cases, a household fee is calculated. To calculate the household fee, the aggregate value of all accounts comprising a household is determined as of December 31 of the preceding year. The resulting aggregate values of the household accounts are then used to calculate the household fee as if they were one account as of the December 31 date, using the aforementioned Schwab Comprehensive fee structure. A household fee percentage is then determined by dividing the calculated household fee by the gross market value of the aggregated household accounts. The resulting percentage is the fee which will be applied to all accounts of a given defined household for the following year. The above calculation will be performed annually. Such calculation may substantially reduce the fees of the accounts which make up the household compared to the fees which would have been charged had the accounts not been aggregated on a household basis.

Generally, the householding of fees only applies to assets under the Schwab Comprehensive Service. However, under certain circumstances, assets under the Schwab Lite Service may apply.

*Previously Established Clients*

A fee will be applied to accounts transferred to Charles Schwab & Co., Inc. from other brokerage relationships or fund families. The fee will be .15%, .20% or .25%. The fee will be determined based on the mix of assets being transferred. If all assets are bond funds, a .15% fee may be applied. If all assets transferred are equity based, a fee of .25% may be applied. If there is a stock to bond mix, then a fee reflecting the stock to bond ratio will be calculated and rounded to the closest fee of .15%, .20% or .25%. In no case will the fee be established without prior client notification and written approval.

Clients will be billed in arrears at the end of each 90 day period following inception of services based upon a percentage of the average monthly value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance) of the client's account at the end of the previous quarter.

## Financial Planning Services

Annual financial planning fees range from \$3,500 - \$25,000, depending on the nature and complexity of each client's circumstances. One half of this fee may be due upon signing the financial planning agreement and covers the first six months of services, with the balance due during the second six month period.

The fee has three components:

1. Calculated by applying a percentage on investment assets. The applied percentage is determined in one of three ways:
  - a. A sliding rate scale is applied to investment assets managed by First Ohio Planning and custodied at Charles Schwab & Co., Inc. for the **Schwab Comprehensive Service** plan (see Fee Schedule above);
  - b. A fixed rate of .75% is applied to assets under management by First Ohio Planning and custodied at Charles Schwab & Co., Inc. for the **Schwab Lite Service** plan; or
  - c. A flat .5% is used for assets custodied elsewhere.
2. .15% applied to the client's total assets less the total of the investment assets referred to above.
3. .8% of client's prior year adjusted gross income.

Components 1 a. and b. are withdrawn from the managed accounts on a quarterly or semiannual basis (in arrears) per the Investment Advisory Management Agreement. The balance of financial planning fees are invoiced to the client.

First Ohio Planning LLC's minimum financial planning fee is \$3,500/year.

## Consulting Services

Our "financial checkup" consulting service will be billed at a fixed rate of \$750 and shall be due and payable as earned. If this service is purchased by an employer for a block of executives/associates, this fee will be negotiated at a lower rate. Fees for specific administrative and consulting services will be billed at an hourly rate of up to \$250.00 per hour, upon mutual agreement with the client, and shall be due and payable as earned.

General Information. Negotiability of Fees: In certain circumstances, First Ohio Planning's fees may be negotiable. First Ohio Planning may charge different fees to different clients receiving the same services. The above fee schedules are the firm's basic fee schedules generally charged to clients absent any fee negotiation.

Fee Calculation: The fees charged are calculated as described above and are not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client.

Termination of Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of prior written notice. Upon termination of any agreement, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

Termination of Financial Planning Agreement: The agreement may be terminated: (1) by the client, without penalty, upon written notice within five (5) business days after entering into the agreement; or (2) thereafter, upon receipt of written notice, by either the client or First Ohio Planning. In the event of termination after five (5) business days from the execution of the agreement, the client will be entitled to a prorated refund not to exceed 50% of any unearned financial planning fees.

Mutual Fund and Exchange Traded Fund (ETF) Fees and Expenses: All fees paid to First Ohio Planning for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund or ETF directly, without the services of First Ohio Planning. In that case, the client would not receive the services provided by First Ohio Planning which are designed, among other things, to assist the client in determining which mutual funds or ETFs are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by First Ohio Planning to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered investment advisers for similar or lower fees. First Ohio Planning's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and ETFs also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to First Ohio Planning's fee, and First Ohio Planning shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that First Ohio Planning considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

As stated previously, Advisory Representatives of First Ohio Planning are separately licensed as registered representatives of Royal Alliance Associates, Inc., a FINRA member broker dealer. They may also be insurance agents or brokers for one or more insurance companies. As such, these individuals, in their separate capacities as registered representatives and/or insurance agents or brokers, will be able to effect securities transactions and/or purchase insurance and insurance-related investment products for you, for which they will receive separate and customary compensation. We will have a greater financial incentive to sell certain products as opposed to others (for example, in the case of mutual funds those that have a higher 12b-1 fee than others). While our security sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain securities products and are encouraged to ask us about any conflict presented.

You are not under any obligation to engage First Ohio Planning and/or these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at your discretion.

While we endeavor at all times to put the interest of the clients first as part of First Ohio Planning's fiduciary duty, you should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect our judgment when making recommendations.

## **Item 6 - Performance-Based Fees and Side-By-Side Management**

First Ohio Planning does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

## **Item 7 - Types of Clients**

First Ohio Planning provides portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, charitable institutions, trusts, estates, and corporations or business entities other than those listed above. Please see Item 5 for minimum account requirements.

## **Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss**

First Ohio Planning's investment strategy is based on asset allocation analysis. An individualized asset allocation plan is designed to help you determine how to divide your investment assets among the available alternatives, based upon your financial objectives, time horizons, current financial situation, and risk tolerance, providing a long-term (at least 5 years) disciplined and systematic approach to investment.

In arriving at an asset allocation mix, a hypothetical illustration is developed using historical asset class rates of return based on information the client provides and from sources we believe to be reliable. Depicted rates of return are not representative of the actual rate of return that the investment will experience with any particular insurance or financial product. The illustration is based on the concepts of Modern Portfolio Theory, which states that through diversification, an investor may be able to minimize the effects of investment risks and that gains in one investment class may help offset losses in another. There is no certainty that any investment or strategy will be profitable or successful in achieving specific investment objectives. Each investor's principal values will fluctuate and when redeemed, may be worth more or less than his original investment. Asset allocation does not ensure a profit or protect against losses in a declining market. Asset mixes presented to the client are derived using available historical information for each asset class based on the selected index for that class. They are meant only to illustrate the relative experience between asset classes and portfolios. Security selection is based upon fundamental analysis method. We rely on, among other things, information found in research prepared by others (e.g., Morningstar), financial publications, and annual reports, prospectuses, and filings with the Securities and Exchange Commission.

**Investing in securities involves risk of loss that clients should be prepared to bear.**

## **Item 9 - Disciplinary Information**

First Ohio Planning is a registered investment adviser. As such, we are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. First Ohio Planning, LLC has no information applicable to this Item.

## **Item 10 - Other Financial Industry Activities and Affiliations**

First Ohio Planning does not have a related person who is a: broker-dealer or other similar type of broker or dealer; investment company or other pooled investment vehicle, other investment adviser or financial planner; futures commission merchant or commodity pool operator; banking or thrift institution; accountant or accounting firm; lawyer or law firm; insurance

company or agency; pension consultant; real estate broker or dealer; or sponsor or syndicator of a limited partnership.

As previously stated in Item 5, Advisory Representatives are registered as Advisory Representatives of First Ohio Planning and as Registered Representatives of Royal Alliance Associates, Inc. ("Royal Alliance"). Royal Alliance is a diversified financial services company registered with the Financial Industry Regulatory Authority ("FINRA") as a broker-dealer engaged in the offer and sale of securities products. Our Advisory Representatives may recommend the purchase of securities offered by Royal Alliance. If you purchase these products through them, they will receive normal commissions which may be in addition to customary advisory fees. As such, Advisory Representatives may have an incentive to sell you commissionable products in addition to providing you with advisory services when such commissionable products may not be suitable. Alternatively, they may have an incentive to forego providing you with advisory services when appropriate, and instead recommend the purchase of commissionable investments, if they deem that the payout for recommending the purchase of these investments would be higher than providing management advice on these products for an advisory fee. Therefore, a conflict of interest may exist between their interests and your best interests.

While our security sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain securities products and are encouraged to ask us about any conflict presented.

Please be aware that you are under no obligation to purchase products or services recommended by us or members of our firm in connection with providing you with any advisory service that we offer. However, if we developed a financial or retirement plan for you and you choose to implement the plan with our assistance, commissions may be earned in addition to any fees you paid for the other advisory services. Commissions may be higher or lower at Royal Alliance than at other broker-dealers. Advisory Representatives may have a conflict of interest in having you purchase securities and/or insurance related products through Royal Alliance in that the higher their production with Royal Alliance the greater potential for obtaining a higher pay-out on commissions earned.

Under the rules and regulations of the FINRA, Royal Alliance has an obligation to perform supervisory functions regarding certain activities engaged in by Advisory Representatives who are also Registered Representatives of Royal Alliance. For such supervisory functions, First Ohio Planning may pay Royal Alliance a portion of the advisory fees they receive.

Royal Alliance and First Ohio Planning are not affiliated.

Certain Advisory Representatives are licensed insurance agents and offer various fixed insurance products for which they will be paid a commission. The insurance business represents a small part of our total activities and we do not concentrate resources in this area. However, since our Advisory Representatives will earn commissions if you purchase insurance products



through them in their role as insurance agents, this represents a conflict of interest. You are under no obligation to purchase insurance products or services through them.

Advisory Representatives may spend as much as 33% of their time with all of these related activities. It is a conflict of interest for us to recommend a product to you for which we will receive compensation. First Ohio Planning attempts to mitigate the conflicts of interest by notifying you of these potential conflicts. We inform you that you are free to consult other financial and insurance professionals and that you may implement recommendations through these professionals. We are bound by our Code of Ethics to act in an ethical manner.

First Ohio Planning and its Advisory Representatives are not actively engaged in any other financial industry entity.

## **Item 11 - Code of Ethics**

Our firm has a commitment to ethical conduct and has adopted a Code of Ethics requiring associated persons to adhere to our firm's fiduciary duties and responsibilities to clients. Our Code of Ethics sets forth our practice of supervising the personal securities transactions of supervised persons with access to client information. Individuals associated with our firm may buy or sell securities for their personal accounts identical to or different from those recommended to clients. It is our expressed policy that no person employed by our firm shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on the investment decisions of advisory clients.

We require anyone associated with this advisory practice with access to advisory recommendations to provide annual securities holdings reports and quarterly transaction reports to the firm's Chief Compliance Officer. We further require that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. We also have a policy prohibiting the use of material non-public information. Any individual not in observance of the above may be subject to discipline. A copy of First Ohio Planning's Code of Ethics is available to advisory clients and prospective advisory clients upon request at First Ohio Planning's principal office address.

You may request a copy of the firm's Code of Ethics by contacting Lisa Miller at 614-486-0691, Ext 3 or at by email at [lmiller@firstohioplanning.com](mailto:lmiller@firstohioplanning.com).

## Item 12 - Brokerage Practices

First Ohio Planning does not request or accept the discretionary authority to determine the broker-dealer to be used for client accounts. Due to the administrative burden created by arranging client securities transactions through multiple brokers, First Ohio Planning does not accept clients who do not agree to direct the use of Charles Schwab & Co., Inc. for securities transactions. In directing the use of a particular broker or dealer, it should be understood that First Ohio Planning will not have authority to negotiate commissions among various brokers, and best execution may not be achieved.

First Ohio Planning participates in the Schwab Advisor Services division of Charles Schwab & Co., Inc., a FINRA registered broker dealer. Clients in need of brokerage and custodial services will have Charles Schwab & Co., Inc. (Schwab) recommended to them. As part of the Schwab program, First Ohio Planning receives benefits that it would not receive if it did not offer investment advice. First Ohio Planning has reviewed the services of Schwab and recommends the services based on a number of factors. These factors include the professional services offered, commission rates, and the custodial platform provided to clients. Based on its business model, First Ohio Planning will not seek to exercise discretion to negotiate trades among various brokers on behalf of clients. First Ohio Planning will, however, periodically attempt to negotiate lower commission rates for its clients with Schwab.

Schwab also makes available to First Ohio Planning other products and services that benefit the firm but may not benefit its clients' accounts. Some of these other products and services assist First Ohio Planning in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (First Ohio Planning does not aggregate trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of advisory fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Schwab also makes available to First Ohio Planning other services intended to help the firm manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing.

In addition, Schwab may make available, arrange and/or pay for these types of services rendered to First Ohio Planning by independent third parties. Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to First Ohio Planning. While as a fiduciary, First Ohio Planning endeavors to act in its clients best interests, our requirement that clients maintain their assets in accounts at Schwab may be based in part on the benefit to First Ohio Planning of the availability of some of the foregoing products and services. The availability of the foregoing products and services is not contingent upon First Ohio Planning committing to Schwab any specific amount of business (assets in custody or trading).

We do not aggregate the purchase or sale of securities for various client accounts. As stated in Item 4, we construct customized portfolios using open end mutual funds and exchange traded funds (ETFs).

## **Item 13 - Review of Accounts**

First Ohio Planning measures the performance of client investment portfolios in compliance with the Investment Policy Statement that is specifically developed for each client's investment objectives.

If you are participating in our Schwab Lite service, you will receive a comprehensive semi-annual (generally 6 months from client contract anniversary) report. If you are participating in our Schwab Comprehensive service, you will receive a comprehensive quarterly (generally every 90 days from the client contract anniversary) report. All client reports contain the same information, only the frequency varies.

Each report contains three sections:

- 1) An Executive Summary which contains information covering various time periods, funds invested, cumulative market values of the investments
- 2) A Current Position Report with specific information on each investment held in the account(s)
- 3) A Historical Position Report with similar information as found in the current position report covering all investments in the account(s) since inception.

Portfolios are reviewed by James S. Ryan, Principal, or David W. Wright, Advisory Representative. All instructions concerning each client portfolio, if any, are reviewed at each client meeting, when such meetings take place.

## **Item 14 - Client Referrals and Other Compensation**

First Ohio Planning, LLC may recommend product vendors who may provide monetary and non-monetary assistance with client events, provide educational tools and resources. We do not select products as a result of any monetary or non-monetary assistance. The selection of product is first and foremost. Our due diligence of a product does not take into consideration any assistance we may receive. While the receipt of products or services is a benefit for you and us, it also presents a potential conflict of interest.

As discussed previously, our Advisory Representatives are Registered Representatives of Royal Alliance. This arrangement requires us to offer you advisory services and programs sponsored or approved by Royal Alliance. Royal Alliance sets limits on how much we can charge you for

these advisory services. Some advisory programs have higher fee limits than others. As such, there may be an incentive for us to recommend to you advisory services or programs with higher limits. In addition, Royal Alliance may charge us certain usage fees and expenses to use their advisory programs which may decrease the amount of money we make when offering investment advice to you. Therefore, there may be an incentive to provide you with advisory programs and services that may be cheaper for us to use but not as suitable to your needs as other advisory programs that Royal Alliance sponsors which may be more expensive for us to use.

In addition, Royal Alliance offers our Advisory Representatives educational, training and incentive programs for those Advisory Representatives that meet certain sales production goals. There may be an incentive for us to manage your account in ways that assist us in meeting these production goals even if such strategies may not always be suitable for your account.

Our choice of custodian may be influenced by the services that the custodians available to us provide but do not necessarily benefit your account. Such services include software and technology that assist in the management and administration of your account and a mix of services to manage and further develop our business. A conflict of interest may exist because when we evaluate whether to recommend or require that you custody your assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely factors that are beneficial to you such as nature, cost or quality of custody and brokerage services.

While our security sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain securities products and are encouraged to ask us about any conflict presented.

First Ohio Planning, LLC does not compensate any person or entity to provide client referrals.

## **Item 15 - Custody**

First Ohio Planning, LLC has custody only to the extent that it withdraws advisory fees from client accounts. The qualified custodian maintains actual custody of your assets.

You will receive at least quarterly statements from Charles Schwab & Co, Inc. First Ohio Planning urges all clients to carefully review such statements and compare such official custodial records to the account statements that we provide. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 - Investment Discretion**

We offer discretionary asset management services. By execution of our advisory agreement and selecting discretionary management services, you will grant First Ohio Planning authorization to manage your account on a discretionary basis. We will have the authority to determine, without obtaining specific client consent, the securities to be bought or sold and the amount of the securities to be bought or sold. You may terminate discretionary authorization at any time upon receipt of written notice by First Ohio Planning.

Discretionary trading authority facilitates placing trades in client accounts so that we may promptly implement the investment policy statement that clients have approved in writing. A limited power of attorney is a trading authorization for this purpose. Clients sign a limited power of attorney so that we may execute trades, subject to the limitations of the agreement.

In all cases, such discretion is exercised in a manner consistent with your investment objectives and goals that are specified in your account application and/or Investment Policy Statement. Investment guidelines and restrictions must be provided to First Ohio Planning in writing.

## **Item 17 - Voting Client Securities**

As a matter of firm policy, First Ohio Planning does not vote proxies on your behalf. You are responsible for voting your proxies. Unless you suppress proxies, the account custodian or transfer agent will send securities proxies directly to you. We may provide you with consulting assistance regarding proxy issues.

## **Item 18 - Financial Information**

First Ohio Planning will not require you to prepay more than \$1,200 and six or more months in advance of receiving the advisory service; therefore, a balance sheet is not required to be attached.

If you grant First Ohio Planning discretionary authority over your account(s), that authority does not extend to the withdrawal of any of your assets, with the exception of deduction of First Ohio Planning's advisory fees from your accounts. We are financially stable. There is no financial condition that is likely to impair our ability to meet our contractual commitment to you or any other client.

Neither First Ohio Planning nor any of its Advisory Representatives has ever been the subject of a bankruptcy petition.

### **Item 19 - Requirements for State-Registered Advisers**

This section is not applicable to First Ohio Planning, LLC since it is not state registered. First Ohio Planning, LLC is registered with the Securities and Exchange Commission.