

# OpenPlan

SEC File Number: 801 – 57087

ADV Part 2A, Firm Brochure

Dated: March 31, 2023

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**This Brochure provides information about the qualifications and business practices of OpenPlan (the “OpenPlan”). If you have any questions about the contents of this Brochure, please contact us at (206) 258-5000. 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.**

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

**References herein to OpenPlan as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.**

## **Item 2            Material Changes**

Item 2 provides a summary of material changes, if any, that OpenPlan. has made to this brochure since the last annual update. This is the initial Form ADV Part 2A Firm Brochure for OpenPlan.

### **Will I receive a brochure every year?**

We may, at any time, update this brochure. Any material changes will either be sent to you as a summary of those changes or, depending on the extent of these changes, you will receive the entire updated brochure.

**OpenPlan's Chief Compliance Officer, Tyler Mayfield, remains available to address any questions that an existing or prospective client may have regarding this Brochure.**

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#### **Item 4            Advisory Business**

- A. OpenPlan (“We” “Our” “Us”), founded in 2016 in the state of Washington, is a line of business of Brighton Jones. Brighton Jones became registered as an investment adviser in January 2000. Brighton Jones is principally owned by Charles Brighton and Jon Jones.

B.

#### **FINANCIAL PLANNING SERVICES**

OpenPlan provides financial planning services (including investment and non-investment related matters, such estate planning, insurance planning, taxes, real estate, cash flow planning, etc.). Before engaging us to provide planning services, clients are generally required to enter into an agreement with us setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to OpenPlan commencing services.

#### **INVESTMENT MANAGEMENT SERVICES**

OpenPlan provides initial and on-going discretionary investment advisory services on a *fee-only* basis subject to the terms and conditions of an agreement between us and the client. To commence the investment management process, an investment adviser representative will first ascertain each client’s investment objectives and then allocate or recommend that the client allocate investment assets consistent with the designated investment objectives.

Once allocated, we provide ongoing monitoring and review of account performance and asset allocation as compared to client investment objectives and may periodically execute or recommend execution of account transactions based upon such reviews.

#### **COMPREHENSIVE REPORTING SERVICES**

We may also provide comprehensive reporting services which can incorporate all of the client’s investment assets, including those investment assets that are not part of the assets managed by us (the “Excluded Assets”). Should the client receive such reporting services, the client acknowledges and understands that with respect to the Excluded Assets, our service is limited to reporting services only and does not include investment management, review, or monitoring services, nor investment recommendations or advice. As such, the client, and not OpenPlan, shall be exclusively responsible for the investment performance of the Excluded Assets. In the event the client desires that we provide investment management services with respect to the Excluded Assets, the client may engage us to do so for a separate and/or additional fee pursuant to the terms and conditions of a separate agreement between us and the client.

#### **MISCELLANEOUS**

**Limitations of Financial Planning and Non-Investment Consulting/Implementation Services.** As indicated above, to the extent requested by a client, we may provide financial planning services. Neither the OpenPlan nor its investment adviser representatives assist clients with the implementation of any financial plan, unless they have agreed to do so in writing. OpenPlan does not monitor a client’s financial plan, and it is the client’s responsibility to revisit the financial plan with us, if desired.

We may provide financial planning services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. OpenPlan does not serve as an attorney or insurance agency, and no portion of its services should be construed as legal or insurance brokerage services. Accordingly, OpenPlan does not prepare estate planning documents or sell insurance products. To the extent requested by a client, we may recommend the services of other professionals for certain non-investment implementation purpose (i.e., attorneys, accountants, insurance agents, etc.) including certain of our representatives at Brighton Jones in their separate and individual capacities as Certified Public Accountants or licensed attorneys as described in Item 10.C below.

Clients are under no obligation to engage the services of any recommended professionals. The client retains absolute discretion over all implementation decisions and is free to accept or reject any recommendation from us. If the client engages any recommended professional, and a dispute arises thereafter relative to the engagement, the client agrees to seek recourse exclusively from and against the engaged professional. At all times, the engaged licensed professional(s) (i.e., attorney, accountant, insurance agent, etc.), and not OpenPlan, shall be responsible for the quality and competency of the services provided.

**Retirement Plan Rollovers.** A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If OpenPlan recommends that a client roll over their retirement plan assets into an account to be managed by us, such a recommendation creates a conflict of interest if we will earn an advisory fee on the rolled over assets. No client is under any obligation to roll over retirement plan assets to an account managed by OpenPlan.

**ERISA / IRC Fiduciary Acknowledgment.** When OpenPlan provides investment advice to a client regarding the client's retirement plan account or individual retirement account, it does so as a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code ("IRC"), as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with client interests, so we operate under a special rule that requires us to act in the client's best interest and not put our interests ahead of the client's.

Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put its financial interests ahead of the client's when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that OpenPlan gives advice that is in the client's best interest;
- Charge no more than is reasonable for our services; and
- Give the client basic information about conflicts of interest.

**Tax Preparation Services.** Brighton Jones charges a separate fee (fixed or hourly) for tax preparation services, depending upon the scope and complexity of the services required.

To the extent that a client engages Brighton Jones to provide such services, the client shall execute a separate agreement which will detail the services to be provided and the separate fee paid by the client for those services.

**Use of Mutual Funds and Exchange Traded Funds.** While OpenPlan may recommend allocating investment assets to mutual funds that are not open directly to the public, we may also recommend that clients allocate investment assets to publicly available mutual funds and exchange traded funds (“ETFs”) that the client could obtain without engaging us as an investment adviser. However, if a client or prospective client determines to allocate investment assets to publicly available mutual funds and ETFs without engaging us as an investment adviser, the client or prospective client would not receive the benefit of OpenPlan’s initial and ongoing investment advisory services.

Other mutual funds, such as those issued by Dimensional Fund Advisors (“DFA”), are generally only available through registered investment advisers. OpenPlan may allocate client investment assets to DFA mutual funds. Therefore, upon the termination of OpenPlan’s services to a client, restrictions regarding transferability and/or additional purchases of, or reallocation among DFA funds will apply. OpenPlan’s Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above.

**Portfolio Activity.** For clients who determine to engage OpenPlan to provide investment management services, we have a fiduciary duty to provide services consistent with the client’s best interest. As part of its investment advisory services, OpenPlan will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client’s investment objective. Based upon these factors, there may be extended periods of time when OpenPlan determines that changes to a client’s portfolio are neither necessary nor prudent. Clients nonetheless remain subject to the fees described in Item 5 below during periods of account inactivity.

**Independent Managers.** OpenPlan may recommend that the client allocate a portion of a client’s investment assets among unaffiliated independent investment managers (“Independent Manager(s)”) in accordance with the client’s designated investment objective(s). In such situations, the Independent Manager(s) will have day-to-day responsibility for the active discretionary management of the allocated assets. OpenPlan will continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation, and client investment objectives. OpenPlan generally considers the following factors when recommending Independent Manager(s): the client’s designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated Independent Manager(s) are exclusive of, and in addition to, OpenPlan’s ongoing investment advisory fee, subject to the terms and conditions of a separate agreement between the client and the Independent Manager(s). OpenPlan’s advisory fee is set forth in the fee schedule at Item 5 below.

**eMoney Advisor Platform.** In conjunction with the services provided by the eMoney Advisor platform, OpenPlan may also provide periodic comprehensive reporting services, which can incorporate all of the client’s investment assets including those investment assets that are not part of the assets managed by OpenPlan (the “Excluded Assets”). OpenPlan’s

service relative to the Excluded Assets is limited to reporting services only, which does not include investment implementation. Because OpenPlan does not have trading authority for the Excluded Assets, to the extent applicable to the nature of the Excluded Assets (assets over which the client maintains trading authority vs. trading authority designated to another investment professional), the client (and/or the other investment professional), and not OpenPlan, shall be exclusively responsible for directly implementing any recommendations relative to the Excluded Assets. The client and/or their other advisors that maintain trading authority, and not OpenPlan, shall be exclusively responsible for the investment performance of the Excluded Assets. Without limiting the above, OpenPlan shall not be responsible for any implementation error (timing, trading, etc.) relative to the Excluded Assets.

The eMoney platform also provides access to other types of information, including financial planning concepts, which should not, in any manner whatsoever, be construed as services, advice, or recommendations provided by OpenPlan. Finally, OpenPlan shall not be held responsible for any adverse results a client may experience if the client engages in financial planning or other functions available on the eMoney platform without OpenPlan's assistance or oversight.

**Cash and Cash Equivalents.** Depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), OpenPlan may maintain cash and cash equivalent positions (such as money market funds) for defensive, liquidity, and other purposes. Unless otherwise agreed in writing, all such cash positions are included as part of assets under management for purposes of calculating our investment advisory fee.

**Client Obligations.** OpenPlan will not be required to verify any information received from the client or from the client's other professionals and is expressly authorized to rely on the information in its possession. Clients are responsible for promptly notifying us if there is ever any change in their financial situation or investment objectives so that we can review, and if necessary, revise our previous recommendations or services.

**Disclosure Statement.** A copy of OpenPlan's written Brochure and Client Relationship Summary, as set forth on Part 2 of Form ADV and Form CRS respectively, shall be provided to each client prior to, or contemporaneously with, the execution of the applicable form of client agreement.

- C. OpenPlan shall provide investment management services specific to the needs of each client. Before providing investment management services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, OpenPlan shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on OpenPlan's services.
- D. OpenPlan does not participate in a wrap fee program.
- E. As of December 31, 2021, OpenPlan had \$5,095,866 in assets under management on a discretionary basis and \$0 in assets under management on a non-discretionary basis.

## **Item 5        Fees and Compensation**

A.

### **FINANCIAL PLANNING & CONSULTATION**

OpenPlan charges a fixed fee for its financial planning services, which includes an implementation fee of \$2,500 and a monthly monitoring fee of \$150. Fees are negotiable.

### **INVESTMENT MANAGEMENT SERVICES**

OpenPlan's annual investment management fee generally ranged between 0.50% - 0.95% of total assets placed under our management, paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter, including any accrued interest. We may, at our discretion, charge a lower fee.

The services to be provided by OpenPlan to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly.

- B. For Clients who have determined to engage OpenPlan for Financial Planning only, monthly fees are paid using an unaffiliated third-party payment processor, Stripe. For clients who have engaged OpenPlan for Investment Management Services, Clients may elect to have OpenPlan's investment management fees and any other fees deducted from their custodial account. The applicable form of agreement between OpenPlan and the client, and the custodial/clearing agreement may authorize the custodian to debit the client's account for the amount of OpenPlan's investment advisory fee and to directly remit that fee to OpenPlan in compliance with regulatory procedures. In the limited event that OpenPlan bills the client directly, payment is due upon receipt of OpenPlan's invoice.
- C. As discussed below, unless the client directs otherwise or an individual client's circumstances require, OpenPlan shall generally recommend that Fidelity Investments ("*Fidelity*") serve as the broker-dealer/custodian for client investment management assets.

Broker-dealers such as *Fidelity* charge brokerage commissions and/or transaction fees for effecting certain securities transactions. In addition, client accounts may invest in mutual funds (including money market funds) and ETFs that have various internal fees and expenses (i.e., management fees), which are paid by these funds but ultimately borne by clients as a fund shareholder. The fees charged by the applicable broker-dealer/custodian, and the internal fees and expenses imposed at the fund level, are in addition to OpenPlans's investment advisory fees referenced in this Item 5.

- D. The applicable form of agreement between OpenPlan and the client will continue in effect until terminated by either party by written notice in accordance with the terms of such agreement.

Upon termination, OpenPlan shall refund any unearned portion of the advance investment management fee based upon the number of days that services were provided during the final billing quarter (as applicable).

- E. Neither OpenPlan, nor its representatives accept compensation from the sale of securities or other investment products.



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

Neither OpenPlan nor any supervised person of OpenPlan accepts performance-based fees.

## **Item 7            Types of Clients**

OpenPlan's clients generally include individuals, business entities, and trusts. For clients who engage OpenPlan for investment management services, there is generally not a minimum account size or quarterly fee requirement. For financial planning and consulting clients, there is generally a monthly maintenance fee of \$150.

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

A. We may utilize the following methods of security analysis:

- Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
- Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)
- Cyclical – (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

We may utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)

**Investment Risk.** Investing in securities involves risk of loss that clients should be prepared to bear, including the loss of principal investment. Past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by OpenPlan) will be profitable or equal any specific performance level(s).

Investment strategies such as asset allocation, diversification, or rebalancing do not assure or guarantee better performance and cannot eliminate the risk of investment losses. There is no guarantee that a portfolio employing these or any other strategy will outperform a portfolio that does not engage in such strategies. While asset values may increase and client account values could benefit as a result, it is also possible that asset values may decrease and client account values could suffer a loss.

Investors generally face the following types of investment risks:

- Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk may be caused by external factors independent of the fund's specific investments as well as due to the

fund's specific investments. Additionally, each security's price will fluctuate based on market movement and emotion, which may, or may not be due to the security's operations or changes in its true value. For example, political, economic and social conditions may trigger market events which are temporarily negative, or temporarily positive.

- Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
  - Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
  - Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
  - Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- B. Our methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis we must have access to current/new market information. OpenPlan has no control over the dissemination rate of market information; therefore, unbeknownst to us, certain analyses may be compiled with outdated market information, severely limiting the value of our analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Our primary investment strategies - Long Term Purchases and Short Term Purchases - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer-term investment strategy.

- C. Currently, OpenPlan primarily allocates client investment assets among various debt (bonds and bond funds) and fixed income securities, individual equities, mutual funds, and/or ETFs on a discretionary or non-discretionary basis in accordance with the client's designated investment objective(s). We may also allocate client investment assets among one or more asset allocation strategies.

OpenPlan may also allocate and/or recommend a client allocate investment assets in Real Estate Investment Trusts ("REITs"). REITs are subject to risks generally associated with investing in real estate, such as: possible declines in the value of real estate; adverse general and local economic conditions; possible lack of availability of mortgage funds; changes in interest rates; and environmental problems. In addition, REITs are subject to certain other risks related specifically to their structure and focus such as: dependency upon management skills; limited diversification; the risks of locating and managing financing for projects; heavy cash flow dependency; possible default by borrowers; the costs and

potential losses of self-liquidation of one or more holdings; the possibility of failing to maintain exemptions from securities registration; and, in many cases, relatively small market capitalization, which may result in less market liquidity and greater price volatility.

OpenPlan believes that its annual investment advisory fee is reasonable in relation to: (1) the advisory services provided under the applicable form of agreement between the client and OpenPlan; and (2) the fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to our annual investment advisory fee, the client will also incur charges imposed directly at the mutual and ETF level (e.g., management fees and other fund expenses). **Turnover Risk:** OpenPlan's investment programs may involve above-average portfolio turnover which could negatively impact upon the net after-tax gain experienced by an individual client in a taxable account.

## **Item 9            Disciplinary Information**

OpenPlan has not been the subject of any disciplinary actions.

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

- A. Neither OpenPlan, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither OpenPlan, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. **Certified Public Accountants.** Certain individuals within Brighton Jones are also Certified Public Accountants. In the event that clients choose to engage these individuals to provide accounting services, those services shall be provided in the individual's separate capacity as a CPA. Clients are reminded that they are under no obligation to engage these individuals to provide accounting services and may seek such services from any unaffiliated entity.
- D. **BPC REIT and Blueprint Capital Services.** Brighton Jones is the majority owner of Blueprint Capital Services, LLC ("Blueprint"), the manager of the BPC REIT. Blueprint provides management services on a fee basis to the BPC REIT.

Because Brighton Jones and/or its affiliates, including OpenPlan, may earn compensation from the BPC REIT that may exceed the fee that OpenPlan would earn under its standard asset-based fee schedule referenced in Item 5 above, the recommendation that a client become a BPC REIT investor presents a conflict of interest.

**Brighton Jones Real Estate Advisors, LLC.** Certain of Brighton Jones' supervised persons are also, in their separate and individual capacities, licensed real estate brokers. These individuals may be engaged, in their individual capacities as licensed real estate brokers, through Brighton Jones Real Estate Advisors, LLC ("BJREA"). In the event that

clients choose to engage these individuals to provide real estate services, those services shall be provided through BJREA pursuant to a separate agreement.

Because BJREA is Brighton Jones' affiliate, the recommendation that a client engage the services of BJREA presents a conflict of interest.

**2030 Law.** Certain of Brighton Jones' supervised persons are also, in their separate and individual capacities, licensed attorneys. These individuals offer their legal services, as part of 2030 Law, separate and apart from OpenPlan. Clients may engage these individuals to provide legal services.

In the event that clients choose to engage these individuals to provide legal services, services shall be provided through 2030 Law pursuant to a separate engagement. Neither Brighton Jones or OpenPlan shall not receive any portion of the fees paid to 2030 Law in conjunction with the services rendered pursuant to that separate engagement.

- D. OpenPlan does not receive, directly or indirectly, compensation from investment advisers that it recommends or selects for its clients.

## **Item 11            Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

- A. OpenPlan maintains an investment policy relative to personal securities transactions. This investment policy is part of our overall Code of Ethics, which serves to establish a standard of business conduct for all of our Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, OpenPlan also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by us or any person associated with us.

- C. OpenPlan and/or representatives of OpenPlan may buy or sell securities that are also recommended to clients. This practice may create a situation where OpenPlan and/or representatives of OpenPlan are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if OpenPlan did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of the OpenPlan's clients) and other potentially abusive practices.

OpenPlan has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of OpenPlan's "Access Persons". OpenPlan's securities transaction policy requires that an Access Person of OpenPlan must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date OpenPlan selects. Furthermore,

OpenPlan requires all employees and owners to report equity transactions on a quarterly basis.

- D. OpenPlan and/or representatives of OpenPlan *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where OpenPlan and/or representatives of OpenPlan are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. As indicated above in Item 11.C, OpenPlan has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of OpenPlan's Access Persons.

## **Item 12 Brokerage Practices**

- A. In the event that the client requests that OpenPlan recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct us to use a specific broker-dealer/custodian), we generally recommends that investment management accounts be maintained at *Fidelity*. Prior to engaging us to provide investment management services, the client will be required to enter into a formal agreement with OpenPlan setting forth the terms and conditions under which we shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that OpenPlan considers in recommending *Fidelity* (or any other broker-dealer/custodian to clients) include historical relationship with OpenPlan, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by OpenPlan's clients shall comply with our duty to seek best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where OpenPlan determines, in good faith, that the commission/transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including, but not limited to, the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although OpenPlan will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, OpenPlan's investment advisory fee. OpenPlan's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

### Non-Soft Dollar Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, OpenPlan receives from *Fidelity* (and could potentially receive from other broker-dealers, custodians, investment platforms, unaffiliated investment managers, vendors, or fund sponsors) free or discounted support services and products. Certain of these products and services assist OpenPlan to better monitor and service client accounts maintained at these institutions. The support services that OpenPlan obtains can include: investment-related research, pricing information and market data, software and other technology that provide access to client

account data, compliance and/or practice management-related publications, discounted or free consulting services, discounted or free gratis travel and attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by OpenPlan in furtherance of its investment advisory business operations.

Certain of the support services or products may assist us in managing and administering client accounts. Others do not directly provide this assistance, but rather assist OpenPlan to manage and further develop its business enterprise. OpenPlan's clients do not pay more for investment transactions effected or assets maintained at *Fidelity* or other broker-dealers and custodians because of these arrangements. There is no corresponding commitment made by OpenPlan to any broker-dealer or custodian or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products because of the above arrangements.

#### Additional Benefits

Brighton Jones, and therefore OpenPlan, receives certain additional economic benefits ("Additional Benefits") from a broker-dealer/custodian, investment platform, and/or mutual fund sponsor (collectively, the "Contributing Entities") that may or may not be offered to Brighton Jones again in the future. Specifically, the Additional Benefits include financial contributions made by the Contributing Entities towards the cost of charitable and/or marketing events sponsored by Brighton Jones. Each payment is non-recurring and individually negotiated. Brighton Jones and the Contributing Entities have not entered into any written agreement to govern the Additional Benefits. Contributing Entities, including *Fidelity* and *DFA*, have provided combined Additional Benefits of approximately \$125,000 last year and will likely provide approximately \$125,000 this year. Brighton Jones has no expectation that these Additional Benefits will be offered again; however, Brighton Jones reserves the right to negotiate for these Additional Benefits in the future. The Contributing Entities provide the Additional Benefits to Brighton Jones in their sole discretion and at their own expense, and neither Brighton Jones, OpenPlan nor its clients pay any fees to the Contributing Entities to compensate for the Additional Benefits.

#### Directed Brokerage.

OpenPlan does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and we will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by us. As a result, a client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

In the event that the client directs OpenPlan to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through OpenPlan. Higher transaction costs adversely impact account performance.

Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

- B. To the extent that OpenPlan provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless the OpenPlan decides to purchase or sell the same securities for several clients at approximately the same time. OpenPlan may (but is not obligated to) combine or “bunch” such orders to seek best execution, to negotiate more favorable commission rates or to allocate equitably among our clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. OpenPlan shall not receive any additional compensation or remuneration as a result of such aggregation.

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

- A. For those clients to whom OpenPlan provides investment management services, account reviews are conducted on an ongoing basis by the OpenPlan’s Principals and/or representatives. All investment supervisory clients are advised that it remains their responsibility to advise us of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with us on an annual basis.
- B. OpenPlan may conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. OpenPlan may also provide a written periodic report summarizing account activity and performance.

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

- A. As referenced in Item 12.A.1 above, OpenPlan receives certain benefits from Fidelity including support services and/or products. Our clients do not pay more for investment transactions effected and/or assets maintained at *Fidelity* as a result of this arrangement. There is no corresponding commitment made by OpenPlan to *Fidelity* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.
- B. If a client is introduced to OpenPlan by either an unaffiliated or an affiliated solicitor, we may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-1 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from our investment advisory fee and shall not result in any additional charge to the client. If the client is introduced to us by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the

nature of their solicitor relationship, and shall provide each prospective client with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between OpenPlan and the solicitor, including the compensation to be received by the solicitor from us.

## **Item 15           Custody**

OpenPlan shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. OpenPlan may also provide a written periodic report summarizing account activity and performance.

The account custodian does not verify the accuracy of our advisory fee calculation. To the extent that we provide clients with periodic account statements or reports, the client is urged to compare any statement or report provided by us with the account statements received from the account custodian.

OpenPlan engages in other practices and/or services on behalf of its clients that require disclosure at the Custody section of Part 1 of Form ADV, which practices and/or services are subject to an annual surprise CPA examination in accordance with the requirements of Rule 206(4)-2 under the Investment Advisers Act of 1940. OpenPlan's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding custody-related issues.

## **Item 16           Investment Discretion**

The client can determine to engage OpenPlan to provide investment advisory services on a discretionary basis. Prior to OpenPlan assuming discretionary authority over a client's account, the client shall be required to execute an agreement, naming us as the client's attorney and agent in fact, granting us full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

Clients who engage us on a discretionary basis may, at any time, impose restrictions, in writing, on the our discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe our use of margin, etc.).

## **Item 17           Voting Client Securities**

- A. OpenPlan does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. OpenPlan will not be responsible, and each client has the right and responsibility to take any action, and the right to initiate or pursue any legal proceeding with respect to: transactions, securities or other investments held in the client's account or the issuers



thereof. OpenPlan is not obligated to render any advice or take any action on a client's behalf with respect to the above.

- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact us to discuss any questions they may have with a particular solicitation.

## **Item 18          Financial Information**

- A. OpenPlan does not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. OpenPlan is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. OpenPlan has not been the subject of a bankruptcy petition.

**OpenPlan's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.**