MILESTONE
Financial Planning, LLC

Milestone Financial Planning, LLC

3 Executive Park Drive, Suite 200, Bedford, NH 03110

(603) 589-8010

https://milestonefinancialplanning.com/

Updated: May 7, 2024

This Form ADV 2A ("Disclosure Brochure") provides information about the qualifications and business practices of Milestone Financial Planning, LLC ("Milestone" or the "Advisor"). If you have any questions about the contents of this Disclosure Brochure, please contact us at the phone number above or by email at Jen@MilestoneFinancialPlanning.com. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Milestone is available on the SEC's website at http://www.adviserinfo.sec.gov by searching with our firm name or our CRD# 283439 and at our website, https://milestonefinancialplanning.com/

Material Changes

There have been no material changes made to this disclosure brochure since the last filing and distribution to clients.

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4 Advisory Business

Milestone Financial Planning, LLC ("Milestone" or the "Advisor" and also referred to as "We") provides financial planning and investment management services to individuals, high net worth individuals, trusts, non-profit organizations, and small businesses (each a "Client"). We are a "fee-only" firm and abide by fiduciary standards that always place the interests of our Clients ahead of our own. We do not accept commissions or referral fees from any third party and we do not sell any financial products.

We serve as a fiduciary to Clients, as defined under applicable laws and regulations. As a fiduciary, we uphold a duty of loyalty, fairness and good faith towards each Client and seek to mitigate potential conflicts of interest. Our fiduciary commitment is further described in our Code of Ethics. For more information regarding our Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

We provide a broad range of financial planning services including management of Client investments. With the Client's consent, we coordinate our services with their other advisors, such as estate planning attorneys, tax accountants, and insurance agents.

Milestone's primary office is located at 3 Executive Park Drive, Suite 200, Bedford, NH, 03110. Milestone has four other office locations:

- 342 Wadleigh Falls Road, Newmarket, NH 03857.
- 319 Littleton Road, Suite 307 Westford, MA 01886.
- 6 Crusade Road, Westford, MA 01886
- 20 Depot Street, Suite 310-12, Peterborough, NH 03458

The phone number for all locations is (603) 589-8010.

Firm Description
Milestone is a limited liability company ("LLC") organized under laws of the State of New Hampshire, and is owned by Jennifer Climo, Jonathan Harrington and Kathryn Lund-Wilde.

Additional information beyond what is provided in this Disclosure Brochure may be found at our website, https://milestonefinancialplanning.com/.

Financial Management Services
We provide Clients with financial management services, which generally include a broad range of comprehensive financial planning as well as discretionary management of investment portfolios. For certain Clients, such as a non-profit organization, we may provide just investment management services.

Investment Management Services
We offer investment management services as part of overall financial management. We will typically develop a Client-specific investment strategy based on their goals and objectives, and will then construct and manage the Client's portfolio on a discretionary basis. The investment policy will describe an investment strategy, which we believe will have appropriate combinations of return, risk, and correlation. We then provide specific investment recommendations, ongoing portfolio management (including performance evaluation, security selection, asset allocation, rebalancing and tax analysis) and periodic reporting.

With regard to our investment philosophy, we believe that disciplined asset allocation is the primary determinant of investment performance and that the three most important things that investors should focus on are asset allocation, expenses, and taxes. Consequently, we typically recommend broadly diversified investment portfolios that are tailored to each Client's unique circumstances, goals, and risk tolerance. We avoid market timing and speculation, which we do not believe are effective investment strategies.

We generally recommend low-cost (often institutional class) mutual funds, exchange-traded funds ("ETFs"), with low expense ratios and low internal transaction costs, laddered Certificate of Deposits ("CDs") and independent investment managers ("Independent Managers"). We generally do not recommend investments in option writing, exchange-traded notes, hedge funds, non-traded real estate investment trusts or illiquid investments. In certain circumstances, we may retain certain historical positions due to tax ramifications and/or Client needs.

We generally do not recommend investments in individual stocks, unless we determine that a separately managed account may be beneficial to the client for tax purposes or because the client wants to filter out certain stocks due to ESG concerns.

We generally recommend portfolios including mutual funds, ETFs and separately managed accounts offered by Dimensional Fund Advisors LP (collectively "DFA funds"). (See "Use of Independent Managers", below). DFA funds follow a passive asset class investment philosophy with low holdings turnover. The DFA fund fees are generally lower than fees and expenses charged by other fund providers. We are under no obligation to recommend DFA funds to our Clients and we do so only when we believe they are in a Client's best interest.

To the extent possible, we try to eliminate conflict of interests. Therefore, we do not sell any product, nor accept any commission and do not accept nor pay any referral fees.

All Client accounts must be maintained at a "qualified custodian". We do not accept custody of the Client's funds or securities, except for the limited authority as outlined in Item 15. (Please see Items 12 and 15). Periodic statements are provided to the Client showing the status and performance of their portfolio. We offer each Client a personalized annual review and they may request a review at any time.

Retirement Accounts – When deemed to be in the Client's best interest, the Advisor will provide investment advice to a Client regarding a distribution from an ERISA sponsored plan or to roll over the assets to an Individual Retirement Accounts ("IRAs"), or recommend a similar transaction including rollovers from one ERISA sponsored Plan to another, one IRA to another IRA, or from one type of account to another account (e.g. commission-based account to fee-based account). In such instances, the Advisor will serve as an investment fiduciary as that term is defined under The Employee Retirement Income Security Act of 1974 ("ERISA") and/or the Internal Revenue Code ("IRC"), as applicable, which are laws governing retirement accounts. Such a recommendation creates a conflict of interest if the Advisor earns a new (or increases its current) advisory fee due to the transaction. No client is under any obligation to roll over a retirement account to an account managed by the Advisor.

<u>Use of Independent Managers</u>
Milestone may recommend to Clients that all or a portion of their investment portfolio be implemented by utilizing one or more unaffiliated money managers or investment platforms (collectively "Independent Managers"), which are available through the recommended Custodians. In certain instances, the Client may be required to authorize and enter into a separate agreement with an Independent Manager that defines the terms in which the Independent Manager will provide its services. Milestone serves as the Client's primary advisor and relationship manager. However, the Independent Manager will assume discretionary authority for the day-to-day investment management of those assets placed in their control. Milestone will assist and advise the Client in establishing investment objectives for their account[s], the selecting of the Independent Manager, and defining any restrictions on the account[s]. Milestone will continue to provide oversight of the Client's account[s] and ongoing monitoring of the activities of these Independent Managers. The Independent Manager will implement the selected investment strategies based on their investment mandates. The Client may be able to impose reasonable investment restrictions on these accounts, subject to the acceptance of these third parties. The Client will be provided with a copy

of the Independent Manager's Form ADV Part 2A (or a brochure that makes the appropriate disclosures) by the respective Independent Manager prior to entering into an agreement, or by Milestone prior to placing assets with the Independent Manager.

Financial Planning Services
We provide on-going personalized confidential financial planning services to Clients. Advice is provided by consultation with the Client, and may include the following: determination of financial objectives, identification of financial issues, net worth and cash flow analysis, tax planning, insurance review, education funding analysis, retirement planning, and estate planning. Investment management services may include analysis of the Client's current situation (including objectives, risk tolerance, income and tax situation, and current portfolio holdings), specific investment recommendations, on-going portfolio management (including performance evaluation, security selection, asset allocation, rebalancing, and tax analysis), and periodic reporting.

An initial financial plan is developed for the Client over the first year of our relationship as the first step in financial management. The financial plan is designed to achieve the Client's stated financial goals and objectives. In general, the financial plan will address areas such as cash management, insurance (asset protection), tax planning, education planning, estate planning, retirement planning, and investments.

At times, we may recommend specific outside professionals (such as an estate planning attorney, accountant and/or insurance agent). Clients are not obligated to use these professionals; they may work with anyone of their own choosing. No compensation is given to us by the professionals for these referrals.

Fully Paid Securities Lending Program
Fidelity allows Clients to enroll in their Fully Paid Securities Lending Program ("FPSL") which enables Clients to lend certain securities to Fidelity in exchange for the opportunity to earn incremental income in their portfolios. Securities lending is when a Client temporarily loans securities to a financial institution. The Client will enter into a Master Securities Lending Agreement (MSLA) with Fidelity that will cover the terms of the loan. Fidelity utilizes the securities to satisfy both internal and external borrowing needs. Fidelity will earn revenue from lending these securities and a portion of that revenue will be shared with the Client. The Advisor does not earn any additional revenue for Clients who choose to enroll in FPSL.

Assets under management

As of December 31, 2023, we managed $423,891,486 of discretionary assets on behalf of our Clients.

5 Fees and Compensation

Financial Management

Clients with Greater Than $1,000,000 in AUM
Clients with $1,000,000 or more in assets under our management are offered our Financial Management Service, which includes both ongoing financial planning and investment management services. Our standard financial management fee is charged as a percentage of assets under management, in quarterly installments, in arrears (after services have been provided).

The fee is calculated based on the average daily balance in the Client's account[s] and is based on the schedule below:

Assets Under Management ($)	Annual Fee (%)
First $1 million	1.00%
Next $2 million ($1-3M)	0.80%
Next $3 million ($3-6M)	0.60%
Next $4 million ($6-10M)	0.40%
Next $5 million ($10-15M)	0.20%
Next $6 million ($15-21M)	0.10%
Everything else ($21M+)	0.05%

Clients with Less Than $1,000,000 in AUM
Clients with less than $1,000,000 in assets under management at the start of our advisory relationship are offered investment management and financial planning as separate engagements.

Our investment management fee is charged as a percentage of assets under management, in quarterly installments, in arrears (after services have been provided) at an annual rate of up to 1.00%. The fee is calculated based on the average daily balance in the Client's account[s].

Our financial planning services are provided as an annual financial planning subscription fee, billed monthly at a rate of $100 to $2,000 per month based on the size of the client portfolio and the complexity of the services to be provided.

All Clients
<u>Use of Independent Managers</u>
Clients referred by the Advisor to an Independent Manager will be charged a separate investment management fee by the Independent Manager.

Clients are subject to a minimum annual fee of $10,000 which may be waived at our sole discretion. Additionally, certain Clients may have a fee schedule that differs from the schedules above. The Client's fees will take into consideration the aggregate assets under management with Milestone. Fees may be negotiable at the sole discretion of Milestone, but will not exceed the asset-based fee and subscription fees referenced above. Asset based fees are generally deducted directly from the Client's account[s] at the independent custodian, with the Client's written consent. Some asset-based fees are paid by electronic payment or check. Financial planning subscription fees are generally paid by electronic payment or check.

Because of the way we charge Client fees, there is a conflict of interest in any recommendation, or lack of recommendation, that would impact the amount of assets a Client has invested with us. In these cases, we evaluate our recommendation within the context of our fiduciary duty to recommend the course of action in the Client's best interest, even at the expense of our own interest. However, Clients are encouraged to question any of our recommendations that impact the amount of their assets under management, to understand how our advice benefits them. We note that as a general rule, charging fees based on assets under management means that our best interest is aligned with that of our Clients since our fee only grows when their assets grow, and when their assets decline, so does our fee.

Other Fees and Expenses
All fees paid to us for investment advisory services are separate from the fees and expenses charged by mutual funds and ETFs to their shareholders. Fees and expenses charged by mutual funds are described in each fund's prospectus. Clients are also responsible for brokerage, custodial, and/or transactions fees and expenses with respect to their accounts. Our recommended Custodians do not charge securities

transaction fees for ETF and equity trades in Client accounts, but typically charge for mutual funds and other types of investments.

Termination
A Client agreement may be canceled at any time, by either party, for any reason, upon written notice to the other party. Upon termination of the agreement, any prepaid, unearned fees will be promptly refunded. Clients who terminate our services will be charged a fee pro-rata for the portion of the service provided before termination.

6 Performance-Based Fees

We do not charge performance-based fees. Our fees are described in Item 5 above and are not based upon the capital appreciation of the funds or securities held by any Client.

We do not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and have no financial incentive to recommend any particular investment options to our Clients.

7 Types of Clients

We offer advisory services primarily to individuals, high net worth individuals, trusts, non-profit organizations, and small businesses.

We generally do not impose a minimum amount of assets under management for establishing a relationship. We do impose a minimum fee.

Our belief is that we can best help our clients with asset location, asset allocation, opportunistic rebalancing, cash management and tax planning if their assets are under our management. We work with clients who are willing to custody most of their assets at Fidelity Brokerage Services LLC (“Fidelity”).

8 Methods of Analysis, Investment Strategies and Risk of Loss

Our investment advice is based on understanding the Client’s unique circumstances and goals, and implementing long-term investment strategies to assist the Client in achieving those goals. Our investment approach is firmly rooted in the belief that markets are efficient (although not always rational) and that an investor's returns are determined principally by asset allocation decisions, not by market timing or stock picking. We invest in globally diversified stocks and bonds using mostly low-cost and passively managed mutual funds and ETFs, with consideration for tax efficiency. All equity investments are considered long-term and not necessarily suitable for near-term goals.

Portfolio models are tailored to each individual Client, based on the Client’s goals, circumstances, and what level of portfolio risk is appropriate.

We also:

- integrate investment issues with a variety of other financial planning considerations, such as the Client’s tax situation, estate planning, and insurance needs
- monitor the portfolio to maintain the target asset allocation, recognize tax advantages, and minimize expenses
- provide a disciplined, diversified approach that is designed to be less susceptible to the impact of volatile market events
- maintain a dynamic process that meets Clients’ changing circumstances and goals

- principally use mutual funds typically available only to institutional investors or through investment advisors, as well as ETFs
- rebalance periodically to maintain asset class exposure within desired risk tolerances, subject to variances for reasons such as tax efficiency and cash flow

We utilize academic and commercial research, in addition to various computer software programs, to assist in research analysis to obtain additional information on mutual funds that may be recommended to Clients.

While the goal of effective global diversification is to reduce the volatility of the Client's overall portfolio, in practice that is not always the case. There are some time periods where all equity asset classes perform similarly poorly and diversification is not effective in reducing short-term portfolio risk.

We rely on information provided by the Client, and possibly the Client's other professional advisors, without an obligation to verify the accuracy of such information. This information may include the Client's financial situation, estate plan, tax situation, insurance status, short and long-term goals, current and future dependents, investment time horizon, and perceived risk tolerance. We will recommend a portfolio targeted to the Client's unique needs, circumstances, and risk tolerance. This forms the basis for the overall strategic asset allocation plan that we believe will best meet the Client's objectives. The strategic allocation between riskier asset classes (such as stocks) and lower risk ones (such as high-quality bonds) is intended to form the foundation for return, risk, and correlation for the Client's portfolio.

The mutual funds, separately managed accounts and ETFs used will be selected on the basis of the following criteria, the fund/ETFs:

- Performance history;
- Manager's track record (mutual funds only);
- Investment objectives;
- Investment consistency;
- Trading efficiency;
- Management style and philosophy;
- Management fee structure and expense ratios;
- Tax efficiency;
- Bid-ask spread (ETFs only)

Portfolio weighting between funds will be determined by each Client's individual needs and circumstances. Clients will retain ownership of all their accounts.

We have access to institutional mutual funds, which are typically not available to the retail investor except when purchased through an advisor. We utilize many of these funds in Client portfolios. We do not receive compensation from the mutual funds, custodians, or brokerage firms.

Following are some of the risks associated with the potential components of the Advisor's strategy:

<u>Market Risks</u>
The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

<u>ETF Risks</u>
The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs has a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the

underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

Mutual Fund Risks
The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily. Therefore, a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.

Fully Paid Securities Lending
FPSL carries several risks, including the risk that the custodian will default, for example by becoming insolvent, which could result in Fidelity failing to return borrowed securities to you. Securities lending is not appropriate for all investors. Reclassification of dividend income from loaned securities may cause tax ramifications, and proxy voting rights on these securities are forfeited. In addition, loaned securities are not protected by SIPC. Enrollment in a securities lending program does not guarantee securities will be borrowed. Also, fully paid securities on loans are not covered under the Securities Investor Protection Act of 1970.

9 Disciplinary Information

We and our Supervised Persons have not been involved in any legal, regulatory or disciplinary events. We value the trust our Clients place in us. We encourage all Clients to perform the requisite due diligence on any advisor or service provider. Our backgrounds are on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with our firm name or our CRD# 283439.

10 Other Financial Industry Activities and Affiliations

JLC CPA PC
Jennifer L. Climo, Member/Manager of Milestone in her individual capacity, is the owner and Certified Public Accountant of Jennifer L Climo CPA PC ("JLC CPA"), an accounting firm. JLC CPA may recommend us to accounting Clients for advisory services. We may recommend JLC CPA to advisory Clients for tax and related services. Tax services provided by JLC CPA are separate from our advisory services and are paid by separate fees. There are no referral fee arrangements between us and JLC CPA for these recommendations. None of our Clients are obligated to use JLC CPA for any accounting services.

KKL CPA LLC
Kathryn K. Lund-Wilde, Member/Manager of Milestone in her individual capacity, is the owner and Certified Public Accountant of Kathryn K. Lund, CPA PC ("KKL CPA"), an accounting firm. KKL CPA may recommend us to accounting Clients for advisory services. We may recommend KKKL CPA to advisory Clients for tax and related services. Tax services provided by KKL CPA are separate from our advisory services and are paid by separate fees. There are no referral fee arrangements between us and KKL CPA for these recommendations. None of our Clients are obligated to use KKL CPA for any accounting services.

11 Code of Ethics, Participation in Client Transactions, Personal Trading

We have implemented a Code of Ethics (the "Code") that defines our fiduciary commitment to each Client. This Code applies to all persons associated our firm ("Supervised Persons"). The Code was developed to provide general ethical guidelines and specific instructions regarding our duties to each Client. We owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of our Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the

Code. The Code covers a range of topics that address employee ethics and conflicts of interest. To request a copy of the Code, please contact Jennifer Climo at (603) 589-8010 or via email at Jen@MilestoneFinancialPlanning.com.

We do not act as principal in any transactions. In addition, we do not act as the general partner of a fund, or advise an investment company. We do not have a material interest in any securities traded in Client accounts.

We allow Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities that are recommended (purchase or sell) to Clients presents a conflict of interest that, as fiduciaries, must be disclosed to Clients and mitigated through policies and procedures. As noted above, we have adopted the Code to address insider trading (material non-public information controls); gifts and entertainment; outside business activities and personal securities reporting. When trading for personal accounts, Supervised Persons have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by requiring reporting of personal securities trades by our Supervised Persons for review by the Chief Compliance Officer ("CCO") or delegate. We have also adopted written policies and procedures to detect the misuse of material, non-public information.

While we allow Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically placed with Client orders or traded afterwards. At no time will our firm, or any Supervised Person, transact in any security to the detriment of any Client.

12 Brokerage Practices

We require that each Client engage an independent "qualified custodian" for custody and brokerage services. Through the Client's agreement with the custodian, the custodian provides us with expanded access to institutional trading, custody and other services, which may not be available to retail investors. We do not receive any monetary compensation, commissions, or referral fees from any custodian.

An independent custodian typically provides services that allow us to provide better service to our Clients. Most of these services are directly related to servicing Client accounts, such as placing trades in Client accounts, opening and transferring accounts, accepting deposits, and processing withdrawals. Some services have a more indirect Client benefit, such as providing stock market pricing and research data, or arranging for a group discount for investment management software. These benefits are typical across custodians.

We evaluate our custodian based on:

- the range, reliability, responsiveness, and accuracy of advisor and Client services
- technology provided
- the availability of investment choices
- the reasonableness of expenses.
- access to mutual funds, including institutional share classes, and restricted mutual fund platforms such as DFA and Fidelity Advisor
- ability to hold non-publicly-traded funds (for pre-existing Client holdings)
- level of expertise

We will generally recommend that Clients establish their account[s] at Fidelity, a FINRA-registered broker-dealer and member SIPC. Fidelity will serve as the Client's "qualified custodian". We maintain an institutional relationship with Fidelity, whereby we receive non-monetary benefits from a custodian, such as receipt of duplicate Client confirmations and account statements; ability to have investment advisory fees deducted directly from Client accounts; access to online Client order entry and account information; discounts on software, continuing education, and access to a wide range of funds.

Following are additional details regarding our brokerage practices:

> ***1. Soft Dollars*** - Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with a broker-dealer/custodian in exchange for research and other services. We do not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, we do receive certain economic benefits from the Custodian. Please see above for additional information.
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> ***2. Brokerage Referrals*** - We do not receive any compensation from any third party in connection with the recommendation for establishing an account.
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> ***3. Directed Brokerage*** - All Clients are serviced on a "client-directed brokerage basis", where we will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective account[s]. We will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]). We will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

We may aggregate orders in a block trade or trades when securities are purchased or sold through the Custodian for multiple (discretionary) accounts in the same trading day. If a block trade cannot be executed in full at the same price or time, the securities purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage any particular Clients' accounts. We will execute each transaction through the Custodian designated by the Client. We seek to execute securities transactions by the close of each business day and allocate them in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage any particular Client account.

We reserve the right to decline or accept any Client who directs us to use a broker-dealer or custodian other than the one we recommend which may not have the cheapest cost to trade a particular security, but we believe their service is in the best interest of our Clients as a group considering the criteria outlined above, and the efficiencies inherent in using a single custodian.

13 Review of Accounts

Client accounts are monitored and reviewed by a trading specialist and/or by the advisor . Accounts are reviewed in the context of each Client's stated investment objectives. Monitoring is done on an ongoing basis to manage investments, which may include portfolio rebalancing, cash management, required minimum distributions from tax-deferred accounts, tax management, and new investment opportunities. Changes, such as rebalancing, are made after considering related issues, such as tax consequences and potential transaction costs.

We provide quarterly investment reports to Clients via access to a secure online portal. These reports show portfolio holdings, asset allocation, and portfolio performance. Clients also receive account statements directly from their custodian, at least quarterly. Clients may elect to receive these statements by US mail, or be notified of their availability online. We encourage Clients to compare those statements to statements provided by us, to ensure that positions, transactions, and fee deductions are accurate.

Clients are encouraged to communicate with us often through email, video calling or telephone and are offered at least one meeting per year, where we may discuss various financial planning and portfolio issues.

14 Client Referrals and Other Compensation

We do not directly or indirectly compensate any third-parties for Client referrals. We do compensate employees for Client referrals.

Many of the investments that we use to build Client portfolios are funds offered through DFA. DFA funds provide very low-cost exposure to a wide range of globally diversified asset classes.

As a result of being approved to use DFA mutual funds, we receive access to non-monetary benefits, such as academic research, investment seminars, investing and practice management advice, occasional meals at seminars (we pay all travel expenses to seminars) and an advisor-only access website that contains extensive market research and other advisor resources. In exchange, our Clients get access to low-cost funds with a unique and academically based investment style. We receive no commissions and are under no obligation to recommend DFA funds. We do not provide any payment to DFA for access to their funds. We use them when we believe that their funds are in our Clients' best interest.

We may make referrals to other professionals (such as accountants, attorneys, and insurance agents), where appropriate to meet a Client's needs. We may exchange information, and consult with these professionals, with prior Client approval. However, the Client is responsible for engaging and paying for their services.

We sometimes pay a listing fee to other organizations to be listed on their website. For example, we pay a fee to the National Association of Personal Financial Advisors (a professional organization) to have them list our website for prospective Clients who are looking for fee-only advisors. These are essentially marketing services and the fee is not dependent on the number of referrals received as a result of the listing.

We may give and receive unsolicited token gifts, valued at under $200, such as a holiday fruit basket from an estate attorney with whom we have worked.

15 Custody

We have no authority to withdraw or transfer assets from any Client account to our account or any other account not in the Client's name, except for the purpose of debiting our fee. The custodian will debit our quarterly investment management fees from the Client's account[s], as authorized as part of the account application signed by the Client and our financial management agreement. Directly debiting our fee is generally more convenient and efficient for both us and our Clients, as well as tax-efficient in some cases. The qualified custodian sends monthly or quarterly account statements to Clients (either electronically or on paper, as determined by the Client). We also send quarterly consolidated account statements. We encourage the Client to review the statements from the custodian and compare them to the statements we send.

We may be deemed to have technical custody of certain assets if the Client gives us authority to move money between their accounts, such as moving money from their joint account to one of their IRA accounts, or from one spouse's account to another, or from a client's account to a child's for gifting purposes. In this case, we, along with the custodian have adopted safeguards to ensure that the money movements are completed in accordance with the Client's instructions.

We do not accept any cash, check or stock certificate made out to us, for deposit into a Client's account. Deposits are made directly to the custodian.

We do not provide any bill paying or check writing service for Clients.

Although we may act as investment advisors for Client trusts, we do not act as trustees of any Client trust or estate, except for advisors' family members.

16 Investment Discretion

We generally have discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales are subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by us. Discretionary authority is authorized upon full disclosure to the Client. The granting of such authority is evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by us are in accordance with each Client's investment objectives and goals.

17 Voting Client Securities

We do not vote on proxies for Clients. When a Client owns shares in a mutual fund, ETF, or stock in a company, they are requested to vote on shareholder issues, such as who to appoint to the board of directors. These are referred to as proxies. Clients are expected to vote on the proxy issues themselves. Generally, Clients will receive proxy material directly from the custodian.

18 Financial Information

We do not require prepayment of more than $1,200 in fees per Client for services to be performed six months or more in advance. We have no financial condition that is reasonably likely to impair our ability to meet contractual commitments to Clients.