

## Item 1 – Cover Page

### Financial Planning Strategies (DBA)

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Date of Brochure: March 11, 2019

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This brochure provides information about the qualifications and investment advisory business practices of Financial Planning Strategies (DBA). If you have any questions about the contents of this brochure please contact me at 719-266-5335. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about my investment advisory business is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view my information on this website by searching for “Financial Planning Strategies” You can also search using the firm’s CRD numbers. The CRD number for the firm is **116228**.

\*Registration as an investment advisor does not imply a certain level of skill or training.

## **Item 2 – Material Changes**

The following material changes have been made to this brochure since our last annual update dated March 2018:

- We have updated our assets under management. Please see Item 4 – Advisory Business for additional information.

We will ensure that you receive a summary of material changes, if any, to this and subsequent disclosure brochures within 120 days after our fiscal year ends. Our fiscal year ends on December 31 so you will receive the summary of material changes, if any, no later than April 30 each year. At that time we will also offer a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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#### **Item 4 – Advisory Business**

Financial Planning Strategies is an investment advisor registered with the States of Colorado and Texas.

- Financial Planning Strategies has been registered with the state of Texas as an investment advisor since January 29, 1996. Prior to registration with the State of Texas Don Leander dba Financial Planning Strategies had been registered as an investment advisor with the U.S. Securities and Exchange Commission since 1982.
- Financial Planning Strategies has been registered with the state of Colorado as an investment advisor since June 13, 2000.
- The firm's sole owner is Don C. Leander. Full details of my education and business background are provided at Item 19 of this Disclosure Brochure.

#### **General Description of Primary Advisory Services**

The following are brief descriptions of my primary services. A detailed description of my services is provided in *Item 5 – Fees and Compensation* so that clients and prospective clients can review the services and description of fees in a side-by-side manner.

Financial Planning Strategies offer the following wealth management services:

1. Asset management services defined as giving continuous investment advice to a client based on the individual needs of the client;
2. Financial planning;
3. Insurance coverage analysis;
4. Income tax analysis; and
5. Estate planning;

**Asset Management Services** – I provide advisory services in the form of Asset Management Services. Asset Management Services involve providing clients with continuous and on-going supervision over client accounts. This means that I will continuously monitor a client's account and make trades (with the client's prior consent) in client accounts when necessary.

**Financial Planning Services** – I provide advisory services in the form of financial planning services. Financial planning services do not involve the active management of client accounts, but instead focuses on a client's overall financial situation. Financial planning can be described as helping individuals determine and set their long-term financial goals, through investments, tax planning, asset allocation, risk management, retirement planning, and other areas. The role of a financial planner is to find ways to help the client understand his/her overall financial situation and help the client set financial objectives.

**Outside Money Managers** – when circumstances are appropriate I will advise clients about the option to invest with unaffiliated money managers that are registered or exempt from registration as investment advisors. Third-party money managers are responsible for continuously monitoring client accounts and

making trades in client accounts when necessary. I monitor any third-party money managers performance for clients and may recommend changes if the need arises.

### **Specialization**

The firm specializes in providing individualized investment advice through its asset management services.

- **Financial planning focusing on: Retirement Planning and Estate Planning**
- **Investment Management specializing in selection of mutual fund portfolios**
- **Investment Management specializing in selection of equities and fixed income investments**
- **Investment Management specializing in an a suitable asset mix of equities, fixed income, and other general securities and mutual funds**
- **Investment management services focusing on quantitative analysis, technical analysis, fundamental analysis, combined with overall asset allocation strategies**
- **Investment management focusing on long-term strategies and some short-term strategies as the need arises, as well as recommending dynamic rebalancing strategies between various types of assets**

### **Limits Advice to Certain Types of Investments**

I provide investment advice on the following types of investments.

- Mutual fund shares
- Exchange-listed securities (i.e. stocks)
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Municipal securities
- United States government securities

I do not provide advice on certificates of deposit, variable life insurance, variable annuities, options contracts or securities or commodities, futures contracts on tangibles or intangibles, or interests in partnerships investing in real estate, oil and gas interests.

When providing Asset Management Services, the firm will typically construct each client's account holdings using mutual funds and equities to build diversified portfolios. It is not my typical investment strategy to attempt to time the market but I may increase cash holdings modestly as deemed appropriate, based on a client's risk tolerance and my expectations of market behavior. I may modify its investment strategy to accommodate special situations like: low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

*(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)*

### **Participation in Wrap Fee Programs**

I do not offer services through wrap-fee programs. A wrap fee program is defined as any Advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions. Whenever a fee charged to a client for services described in this brochure, I will receive all or a portion of the fee charged.

### **Tailor Advisory Services to Individual Needs of Clients**

My services are always provided based on the individual needs of each client. This means, for example, that the client is given the ability to impose restrictions on the accounts I manage for him/her, including specific investment selections and sectors. I work with each client on a one-on-one basis through interviews

### **Client Assets Managed by Financial Planning Strategies**

The amount of clients' assets managed by me totaled \$50,703,295 as of December 31, 2018. \$0 are managed on a discretionary basis and \$50,703,295 are managed on a non-discretionary basis.

## **Item 5 – Fees and Compensation**

In addition to the information provide in *Item 4 – Advisory Business*, this section provides additional details regarding my services along with descriptions of each service's fees and compensation arrangements

### **FINANCIAL PLANNING & PORTFOLIO REVIEW SERVICES**

I provide financial planning of a client's present situation in the form of written financial plans and consultations regarding portfolio reviews for accounts not managed or maintained by me in the form of written plans and consultations on a one-time basis. Financial planning and portfolio review services may be specific or modular in their preparation (unique to each individual client in the amount of time and effort required to complete the plan). Financial planning and portfolio review services may take into consideration each client's objectives, risks that they are willing to undertake, investment knowledge, net worth, income, age, projected retirement, unusual or material funding requirements, inheritance possibilities, pensions, social security, children/relative funding issues, estate issues, and living expenses expressed in today's dollars requested for retirement.

It will be client's responsibility to implement any of my recommendations offered as part of these services, and clients are not required to implement my recommendations through me. I will not have trading authorization for any of client's accounts that contract with me only for financial planning and portfolio review services. At no time will the advisor ever have direct access to client funds and securities. The client's qualified custodian will maintain custody of all funds and securities.

Fees for financial planning and portfolio review services are billed on a fixed fee basis. The amount of the fee will depend upon the complexity of the client's situation and the actual services to be provided. The

amount of any fixed fee will be specified in the financial advisory agreement signed by the client. The minimum fixed fee for financial planning services will be \$250. The fixed fee will be paid in advance; however, at no time will clients be required to pay more than \$500 six or more months in advance. Financial planning and/or portfolio review fees are earned upon my expending a certain number of hours (as specified in the financial advisory agreement signed by client) in research, analysis and consultation while providing client with financial planning and/or portfolio review services.

Fees for my services are billed quarterly in advance.

Financial Planning and Portfolio Review Fees are generally deducted directly from a client account selected by the client. Clients must provide the custodian with written authorization to have fees deducted from the account and paid to me. Prior to any fees being deducted from the account, I will provide clients with a fee notification. The fee notification will show the amount of fees for the billing period, the manner in which the fees were deducted, any adjustments to the fees, and explanations of any adjustments. Upon my discretion, clients may pay fees directly to me. For clients that pay directly, payment is due within thirty (30) days after receipt of the billing statement from the advisor. The custodian will send client statements, at least quarterly, showing all disbursements for the account including the amount of the advisory fee, if deducted directly from the account.

The fixed fees for financial planning and portfolio review services are in addition to any commissions that may be earned by me, if any, my capacity as an insurance agent as a result of the client implementing any insurance recommendations made by me.

Financial planning and portfolio review services terminate upon presentation of the written plan or completion of the consultation services. One-time financial planning services automatically terminate upon presentation of the written plan or completion of the consultation services. However, either party may terminate the agreement sooner by providing written notice to the other party. Termination will be effective upon receipt of notification. If services are terminated within five (5) business days of executing the agreement, services will be terminated without penalty and no fees due. If services are terminated after the initial five day period, any pre-paid fees will be pro-rated and any unearned fees refunded to the client.

Financial planning and portfolio review services are provided on a one-time basis; however, clients are encouraged to retain me for ongoing consultations.

## **WEALTH MANAGEMENT SERVICES**

The specific wealth management services provided by Financial Planning Strategies will be specified in the financial advisory agreement executed by client.

I may provide asset management services through accounts maintained at a qualified custodian recommended by me or selected by the client. We typically recommend Charles Schwab and Co. a registered broker dealer and member of SIPC through their Schwab Institutional platform. Under this type of agreement, we will be granted trading authorization authority on the client's account. However since I will not be given discretionary authority the client will be required to approve each transaction prior to the trade being placed.

I may also provide asset review services on accounts in which trading authorization is not granted. Under this agreement, I will provide ongoing review services of the client's assets; however, the client must

implement all trades in the account and the advisor will not have direct access to the account. Under this client directed program at no time will the advisor ever have direct access to client funds and securities. The client's qualified custodian will maintain custody of all funds and securities.

The fees for Wealth management Services are dependent upon each individual client's particular situation and can range from .5% to 1.90% of the assets under management. . No accounts will be charged more than 1.90% at any time.

Clients are charged a percentage of managed assets fee for my wealth management services. The actual fee charged to each client is negotiable, based on factors such as the client's financial situation and circumstances, the amount of assets under management or review, client's net worth, whether the advisor will have trading authorization over the client's account, and the overall complexity of the services provided. The exact services and fee will be agreed upon and disclosed in the financial advisory agreement that will be signed prior to services being provided.

Fees charged for my asset management services are charged based on a percentage of assets under management, billed in advance (at the start of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the current billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of a billing period, the prorated fee for the initial billing period is billed in arrears at the same time as the next full billing period's fee is billed. At no time will clients be required to pay more than \$500 six or more months in advance.

Wealth Management Services Fees are generally deducted directly from the client's account. Clients must provide the custodian with written authorization to have fees deducted from the account and paid to the advisor. Prior to any fees being deducted from the account, Advisor will provide clients with a fee notification. The fee notification will show the amount of fees, the manner in which the fees were deducted, any adjustments to the fees, and explanations of any adjustments. Upon my discretion, clients may pay fees directly to the advisor. For clients that pay directly, payment is due within thirty (30) days after receipt of the billing statement from the advisor. The custodian will send client statements, at least quarterly, showing all disbursements for the account including the amount of the advisory fee, if deducted directly from the account.

Brokerage commissions and/or transaction ticket fees charged by the custodian will be billed directly to the client. For accounts maintained by qualified custodian Charles Schwab & Co., Inc., I will not receive any portion of such commissions or fees from the custodian or client.

In addition, clients may incur certain charges imposed by third parties other than me in connection with investments made through the account, including but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, and IRA and qualified retirement plan fees. Management fees charged by me are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to clients. A description of these fees and expenses are available in each investment company security's prospectus. The fixed fees for wealth management services are in addition to any commissions that may be earned by me in my capacity as an independent insurance agent as a result of the client implementing any insurance recommendations made by me.



The duration of the agreement to provide wealth management service will last 90 days. Upon the 91<sup>st</sup> day, the following will occur as indicated in the financial advisory agreement: (a) the agreement to provide the specified wealth management services will automatically terminate; (b) the agreement to provide the specified wealth management services will renew for another 90 days (at one-fourth of the originally specified "annualized" fixed fee, which is one-fourth of the annual fee) unless either party cancels; or (c) the agreement to provide the specified wealth management services will renew for another 90 day period at a pre-determined fee specified in the financial advisory agreement.

Either party may terminate the agreement prior to the end 90-day period by providing written notice to the other party. Termination will be effective upon receipt of notification. If services are terminated within five (5) business days of executing the agreement, services will be terminated without penalty and all pre-paid fees will be refunded to the client. If services are terminated after the initial five day period, any unearned fees will be pro-rated and refunded to the client upon request. There will be no penalty charge upon termination. Clients may not assign the agreement for services without my prior consent; nor will I make any assignment (as defined in the Investment Advisers Act of 1940, as amended) of the agreement for services without prior notice and consent of the client.

### **Third-Party Investment Advisors**

Financial Planning Strategies may refer clients to unaffiliated third-party investment advisors that offer asset management services to clients. Although Financial Planning Strategies will not be paid a portion of the fee charged and collected by the third-party investment advisor, I offer a portfolio review service of client accounts managed by third-party investment advisors.

I will assist the client with identifying the client's risk tolerance and investment objectives. Although I will recommend third-party investment advisors in relation to client's stated investment objectives and risk tolerance, I will not have the authority to hire or fire such third-party investment advisors. A client should select a recommended third-party investment advisor based upon the client's needs. Clients will enter into an agreement directly with the unaffiliated third-party investment advisor

I will be available to answer questions the client may have regarding their account and act as the communication conduit between the client and the third-party investment advisors. Third-party investment advisors may take discretionary authority to determine the securities to be purchased and sold for the client. Financial Planning Strategies will not have any trading authority with respect to client's managed account with the third-party investment advisor(s). Moreover, I will not provide recommendations regarding specific securities held within client's account(s) managed by third-party investment advisors. At no time will I ever have direct access to client funds and securities. The client's qualified custodian will maintain custody of all funds and securities. Any periodic reports provided to clients will depend upon the third-party investment advisor selected.

Clients are charged a fixed fee for my portfolio review of client's account(s) managed by third-party investment advisors. The actual fee charged to each client is negotiable based on factors such as the client's financial situation and circumstances, the amount of assets under review and the overall complexity of the services provided. The exact services and fixed fee will be agreed upon and disclosed in the financial advisory agreement prior to services being provided.

The fees for my Portfolio Review Services are dependent upon each individual client's particular situation and can range from .5% to 3% of the assets under management. . No accounts will be charged more than 3% at any time.

Clients are charged a percentage of managed assets fee for my Portfolio Review Services. The actual fee charged to each client is negotiable, based on factors such as the client's financial situation and circumstances, the amount of assets under management or review, client's net worth, whether the advisor will have trading authorization over the client's account, and the overall complexity of the services provided. The exact services and fee will be agreed upon and disclosed in the financial advisory agreement that will be signed prior to services being provided.

Fees for my portfolio review services are billed quarterly in advance. My minimum fee is \$250. At no time will clients be required to pay more than \$500 six or more months in advance. Fees are generally deducted directly from the client's account. Clients must provide the custodian with written authorization to have fees deducted from the account and paid to me. Prior to any fees being deducted from the account, I will provide clients with a fee notification. The fee notification will show the amount of fees, the manner in which the fees were deducted, any adjustments to the fees, and explanations of any adjustments. Upon my discretion, clients may pay fees directly to me. For clients that pay directly, payment is due within thirty (30) days after receipt of the billing statement from me. The custodian will send client statements, at least quarterly, showing all disbursements for the account including the amount of the advisory fee, if deducted directly from the account.

Under certain third-party investment advisor's program, brokerage commissions and/or transaction ticket fees charged by the custodian will be billed directly to the client. Additionally, the third-party investment advisors will charge clients a separate investment advisory fee, and clients may incur certain charges imposed by third- parties other than me or third-party investment advisor in connection with investments made through the account, including but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, and IRA and qualified retirement plan fees. Portfolio review fees charged by me are separate and distinct from the fees and expenses charged by third-party investment advisors and Investment Company securities that may be recommended to clients by third-party investment advisors. A description of these fees and expenses are available in third-party investment advisor's ADV and each investment company security's prospectus. Moreover, the fixed fees for the portfolio review services of client's account(s) managed by third-party investment advisors are in addition to any commissions that may be earned by me in my capacity as an independent insurance agent as a result of the client implementing any insurance recommendations made by me.

The duration of the agreement to provide portfolio review services will last 90 days. Upon the 91<sup>st</sup> day, the following will occur as indicated in the financial advisory agreement: (a) the agreement to provide the specified portfolio review services will automatically terminate; (b) the agreement to provide the specified wealth management services will renew for another 90 days (at one-fourth of the originally specified "annualized" fixed fee, which is one-fourth of annual fee) unless either party cancels; or (c) the agreement to provide the specified portfolio review services will renew for another 90 day period at a pre-determined fee specified in the financial advisory agreement.

Either party may terminate the agreement prior to the end 90 day period by providing written notice to the other party. Termination will be effective upon receipt of notification. If services are terminated within five (5) business days of executing the agreement, services will be terminated without penalty and all pre-paid fees will be refunded to the client. If services are terminated after the initial five day period, any unearned fees will be pro-rated and refunded to the client upon request. There will be no penalty charge upon termination. Clients may not assign the agreement for services without my prior consent; nor will I make any assignment (as defined in the Investment Advisers Act of 1940, as amended) of the agreement for services without prior notice and consent of the client.

Clients are advised that I have a conflict of interest by only recommending those third-party investment advisors that have agreed to allow me to provide portfolio review services of client accounts managed by third-party advisor. Clients are advised that there may be other third-party managed programs that may be suitable to the client that may be more or less costly. No guarantees can be made that client's financial goals or objectives will be achieved. Further, no guarantees of performance can be offered. Investments involve risk, including the possible loss of principal.

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

Item 6 of the Form ADV Part 2 instructions is not applicable to this Disclosure Brochure because I do not charge or accept performance-based fees which can be defined as fees based on a share of capital gains on or capital appreciation of the assets held within a client's account.

### **Item 7 – Types of Clients**

I generally provide investment advice to the following types of clients:

- Individuals
- Trusts, estates or charitable organizations

### **Minimum Investment Amounts Required**

Generally, I do not impose a minimum dollar value on assets or other conditions in order for the client to contract for financial planning services.

However, I may impose a minimum dollar value on assets for investment advisory services.

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

#### **Financial Planning Strategies uses the following methods of analysis in formulating investment advice.**

***Fundamental*** – Financial Planning Strategies will primarily recommend mutual funds in the majority of situations, and focusing on funds (or Exchange-Traded Funds) that use the Fundamental ('Value') approach to security selection is straightforward, since many publications and online mutual fund sources indicate the fund management's philosophy. I prefer the 'Value' style for most mutual funds recommended. For individual stocks, the Fundamental method of evaluating a security is done by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of determining what, if any, position to take with that security. This method of security analysis is considered to be the opposite of technical analysis, which focuses on reading price or volume charts, for example. Fundamental analysis is about using real data to evaluate a security's value.

Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

**Long term purchases.** Investments held at least a year.

### **Use of Primary Method of Analysis or Strategy**

My primary method of analysis or strategy is Fundamental Analysis with a typically Long Term investment strategy. Some of the risks involved with using this method are listed below

### **Primarily Recommend One Type of Security**

I primarily recommend the use of Mutual funds and Exchange Traded Funds. Some of the risks involved with only recommending this type of security are listed below.

### **Risk of Loss**

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients (including you) should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, my firm is unable to represent, guarantee, or even imply that my services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated when investing in securities through my investment management program.

- **Market Risk** – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- **Equity (stock) market risk** – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- **Company Risk**. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

- Fixed Income Risk. When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- ETF and Mutual Fund Risk – When I invest in an ETF or mutual fund for a client, the client will bear additional expenses based on it's pro rata share of the ETFs or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with my firm varies with the success and failure of my investment strategies, research, analysis and determination of portfolio securities. If my investment strategies do not produced the expected returns, the value of the investment will decrease.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.

### **Item 9 – Disciplinary Information**

This item is not applicable to my brochure because there are no legal or disciplinary events listed at Item 9 of the Form ADV Part 2 instructions that are material to a client's or prospective client's evaluation of my business or integrity.

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

Financial Planning Strategies is **not** and **does not** have a related company that is a (1) futures commission merchant, commodity pool operator or commodity trading adviser, (2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), (3) other investment adviser (4) financial planning firm, (5) banking or thrift institution, (6) accounting firm, (7) lawyer or law firm, (8) pension consultant, (9) real estate broker or dealer, or (9) sponsor or syndicator of limited partnerships.

I have arrangements that are material to my advisory business or clients in that I am licensed as an independent insurance agent and may utilize the services of one or more insurance agencies and/or be appointed with one or more insurance companies.

### **Third-Party Money Managers**

I may recommend clients work directly with third-party money managers. When I refer clients to a third party money manager, you need to know that I will not be paid a portion of the fee charged by the third party money manager. However I do provide portfolio reviews services on those assets for a fee. Therefore, I have a conflict of interest in that I will only recommend third party money managers that clear through my primary Custodian, since it provides me online access to the account information, in order to review portfolio activity.

### **Insurance Activities**

While Financial Planning Strategies and my primary business involve providing financial planning and investment advice, I am licensed as an independent insurance agent through various insurance companies. You are never obligated or required to purchase insurance products through me or my firm in my separate insurance capacity. You may purchase insurance products through any insurance agent of your own choosing. When acting in these separate capacities, I can help you obtain insurance products and will receive separate compensation (i.e. insurance commissions) in addition to investment advisory and financial planning fees charged. When determining insurance recommendations, I consider the terms and conditions of the policy first and foremost and not the commission I will earn for selling the policy.

I spend approximately 5% of my time offering insurance products.

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

I have established a Code of Ethics that will apply to me and any Financial Planning Strategies associated persons that may join the firm at some time in the future. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of my clients at all times. I have a fiduciary duty to all clients. This fiduciary duty is considered the core underlying principle for my Code of Ethics which also covers its Insider Trading and Personal Securities Transactions Policies and Procedures. I am required to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. In the future should Financial Planning Strategies add additional supervised persons upon employment or affiliation, when changes occur and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand and agree to comply with the firm's Code of Ethics. I have the responsibility to make sure that the interests of all clients are placed ahead of mine or any potential supervised person's own investment interest. Full disclosure of all material facts and conflicts of interest will be provided to clients prior to any services being conducted. I must conduct business in an honest, ethical and fair manner and avoid all circumstances that might negatively affect or appear to affect my duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of the firm's Code of Ethics. However, if a client or a potential client wishes to review the firm's Code of Ethics in its entirety, a copy will be provided promptly upon request.

### **Affiliate and Employee Personal Securities Transactions Disclosure**

I may buy or sell securities that are also recommended to clients. In order to minimize this conflict of interest, securities I recommend are widely held and publicly traded. In addition, in accordance with my fiduciary duty to clients, I will place client interests ahead of my own interests.

## **Item 12 – Brokerage Practices**

Clients are under no obligation to act on the financial planning recommendations of Financial Planning Strategies. If the firm assists in the implementation of any recommendations, I am responsible to ensure that the client receives the best execution possible.

Clients wishing to implement my advice are free to select any broker/dealer or investment advisor they wish and are so informed. For clients that wish to have me implement the advice, Charles Schwab & Co., Inc. may be used. The primary factor in suggesting a broker/dealer is that the services of the broker/dealer are provided in a cost-effective manner. Best execution of client transactions is an obligation I take seriously and is a catalyst in the decision of suggesting a broker/dealer. While quality of execution at the best price is an important determinant, best execution does not necessarily mean lowest price and it is not the sole consideration. The trading process of any broker/dealer suggested by the advisor must be efficient, seamless, and straight-forward. Overall custodial support services, trade correction services, and statement preparation are some of the other factors determined when suggesting a broker/dealer. Financial Planning Strategies does not have any soft dollar arrangements with any third party.

When a client directs me to use a particular broker/dealer or other custodian, I may not be able to obtain the best prices and execution for the transaction. Clients who direct me to use a particular broker/dealer or custodian may receive less favorable prices than would otherwise be the case if clients had not designated a particular broker/dealer or custodian. The client is under no obligation to act on my recommendations.

### **Trade Errors**

I have implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is my policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and any loss resulting from the trade error will be absorbed by me if the error was caused by the firm. If the error is caused by the broker-dealer, the broker-dealer will be responsible for covering all trade error costs. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should also receive the gains and it is not permissible for all clients to retain the gain. I may also confer with clients to determine if the client should forego the gain (e.g., due to tax reasons).

Financial Planning Strategies will never benefit or profit from trade errors.

### **Aggregation of Client Orders-Block Trading Policy**

I may elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading, or block trading and may be used by the applicant when it believes such action may prove advantageous to clients. If and when I aggregate client orders, the allocation of securities among client accounts will be done on a fair and equitable basis.

Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among my clients in proportion to the purchase and sale orders placed for each client account on any given day. If and when I determine to aggregate client orders for the purchase or sale of securities, including securities in which I may invest, I will do so in accordance with the parameters set forth in the SEC No-Action Letter, SMC Capital, Inc. I will never receive any additional compensation or remuneration as a result of executing block trades.

### **Item 13 – Review of Accounts**

#### **Account Reviews and Reviewers**

For clients retaining Advisor for its financial planning and portfolio review services, such services terminate upon presentation of the written plan or completion of the consultation services as specified in the financial advisory agreement. Therefore, no subsequent reviews are conducted for these accounts. If clients elect to have a review and update to an original financial plan, consultation or portfolio review, additional fees may be charged and clients may be required to sign a new client agreement.

For clients retaining Advisor under the Wealth Management Services program, the client's accounts subject to asset management services are reviewed on a quarterly basis by Don C. Leander. The calendar is the main triggering factor, although more frequent reviews may be also be triggered by changes in client circumstances, client request, or unusual market activity.

#### **Statements and Reports**

Clients will receive statements at least quarterly from the custodian at which their accounts are maintained. In addition, clients may elect to receive quarterly or on-demand position and performance reports from Advisor.

**Clients are strongly urged to compare all reports prepared by Financial Planning Strategies against the account statements received from the client's broker/dealer or qualified custodian.**

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

Broker-dealers serving as custodians to my clients may make available at reduced or no cost to me, other products and services that benefit me but may not benefit my clients' accounts. Some of these other products and services assist me 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 (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of fees to advisors from clients' accounts; and assists with back-office functions, record-keeping and client reporting. Such broker-dealers serving as a custodian to my clients may also offer other services intended to help me manage and further develop my business enterprise such as consulting, publications



and conferences on practice management, information technology, business succession, regulatory compliance, and marketing.

While as a fiduciary, I endeavor to act in its clients' best interests, any recommendation that clients maintain their assets in accounts at certain broker-dealers may be based in part on the benefit to advisor of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by such broker-dealers, which will create a conflict of interest.

In my separate capacity as an independent insurance agent, I may receive a commission for the sale of insurance products.

I do not directly or indirectly compensate anybody for client referrals.

The only form of other compensation received from advisory services are the fees charged for providing investment and financial advisory services as described in Item 5 of this brochure. I receive no other forms of compensation in connection with providing investment advice.

### **Item 15 – Custody**

Custody, as it applies to investment advisers, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.

Financial Planning Strategies is deemed to have custody of client funds and securities whenever Financial Planning Strategies is given the authority to have fees deducted directly from client accounts. When fees are deducted from an account, I am responsible for calculating the fee and delivering instructions to the custodian. At the same time I instruct the custodian to deduct fees from the client's account; I will send the client an invoice itemizing the fee. Itemization will include the formula used to calculate the fee, the amount of assets under management the fee is based on, and the time period covered by the fee. However, this is the only form of custody Financial Planning Strategies will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which Financial Planning Strategies is deemed to have custody, Financial Planning Strategies has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Financial Planning Strategies. When clients have questions about their account statements, they should contact Financial Planning Strategies or the qualified custodian preparing the statement.

### **Item 16 – Investment Discretion**

Through my asset management services and upon receiving written authorization from a client, I will maintain trading authorization over client accounts. Upon receiving written authorization from the client, I may implement trades on a non-discretionary basis. This means I will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject my investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, I will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if you are not able to be reached or are slow to respond to my request, it can have an adverse impact on the timing of trade implementations and I may not achieve the optimal trading price.

All clients have the ability to place reasonable restrictions on the types of investments that may be purchased in an account. Clients may also place reasonable limitations on the discretionary power granted to my firm so long as the limitations are specifically set forth or included as an attachment to the client agreement.

### **Item 17 – Voting Client Securities**

I do not perform proxy-voting services on a client's behalf. Clients are instructed to read through the information provided with the proxy-voting documents and to make a determination based on the information provided. Upon request from the client, an IAR may provide limited clarifications of the issues presented in the proxy voting materials based on his or her understanding of issues presented in the proxy-voting materials. However, the client will have the ultimate responsibility for making all proxy-voting decisions.

Clients will receive proxies directly from their custodian or transfer agent and such documents will not be delivered by my firm. Although I do not vote client proxies, if you have a question about a particular proxy feel free to contact me.

### **Item 18 – Financial Information**

This item is not applicable to this brochure. I do not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, I am not required to include a balance sheet for my most recent fiscal year. I am not subject to a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Finally, I have not been the subject of a bankruptcy petition at any time.

## Item 19 – Requirements for State-Registered Advisers

### **Sole Proprietor – Don C. Leander**

Born: February 1954

#### *Education Background:*

North Central Texas College, Gainesville, TX, Attended, 1974-1976

College of Financial Planning, Denver, CO, Earned Certified Financial Planner, 1981-1983.

#### *Business Background:*

Don C. Leander Doing Business as Financial Planning Strategies, 10/1982 – Present;

Independent Insurance Agent, 1979 – Present.

Multi-Financial Securities Corp. Registered Representative, 04/2000 – 05/2009.

### **Other Business Activities**

As disclosed in Item 10 – Other Financial Industry Activities and Affiliations, I engage in other activities besides giving investment advice.

Don Leander serves in a separate and independent capacity as an insurance agent. As an insurance agent, he sells insurance products through various insurance companies. When acting in this capacity, he will receive commissions for selling these products that are separate and distinct from fees charged for advisory services provided by Advisor.

This role presents a conflict of interest since Don Leander could receive fees and insurance commissions if the client chooses to implement the advisory recommendations in Don Leander's other capacity as an insurance agent.

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

I spend approximately 5% or less of my time in my capacity as an independent insurance agent.

### **No Performance Based Fees**

As previously disclosed in Item 6, I do not charge performance based fees.

### **No Arbitrations**

I have not been the subject of any client arbitrations or similar legal disputes.

## CLIENT PRIVACY POLICY

In November of 1999, Congress enacted the Gramm-Leach-Bliley Act (GLBA). The GLBA requires certain financial institutions, such as investment advisor firms, to protect the privacy of customer information. In situations where a financial institution does disclose customer information to nonaffiliated third parties, other than permitted or required by law, customers must be given the opportunity to opt out or prevent such disclosure. I do not share or disclose customer information to nonaffiliated third parties except as permitted or required by law.

I am committed to safeguarding the confidential information of my clients. I hold all personal information provided by clients in the strictest confidence and it is my objective to protect the privacy of all clients. Except as permitted or required by law, I do not share confidential information about clients with nonaffiliated parties. In the event that there were to be a change in this policy, I will provide clients with written notice and clients will be provided an opportunity to direct the advisor as to whether such disclosure is permissible.

To conduct regular business, I may collect personal information from sources such as:

- Information reported by the client on applications or other forms the client provides to me
- Information about the client's transactions implemented by me or others
- Information developed as part of financial plans, analyses or investment advisory services

To administer, manage, service, and provide related services for client accounts, it is necessary for me to provide access to customer information within the firm and to nonaffiliated companies with whom I have entered into agreements with. To provide the utmost service, I may disclose the information below regarding customers and former customers, as necessary, to companies to perform certain services on my behalf.

- Information I receive from the client on applications (name, social security number, address, assets, etc.)
- Information about the client's transactions with me or others (account information, payment history, parties to transactions, etc.)
- Information concerning investment advisory account transactions
- Information about a client's financial products and services transaction with me

Since I share nonpublic information solely to service client accounts, I do not disclose any nonpublic personal information about my customers or former customers to anyone, except as permitted by law. However, I may also provide customer information outside of the firm as required by law, such as to government entities, consumer reporting agencies or other third parties in response to subpoenas.

## **Information Required by Part 2B of Form ADV: *Brochure Supplement Don C. Leander***

The following are responses to each item found in the Form ADV Part 2B instructions.

### **Item 1 – Cover Page**

All information required in the Form ADV Part 2B instructions can be found on the cover page of this Disclosure Brochure.

### **Item 2 – Educational Background and Business Experience**

Please see Item 19 of this Disclosure Brochure for my education and business experience background.

### **Item 3 – Disciplinary Information**

As previously stated in Item 9 of this Disclosure Brochure, I have never been subject to a legal or disciplinary event.

### **Item 4 – Other Business Activities**

Please see Item 10 and Item 19 of this Disclosure Brochure for details regarding my other business activities.

### **Item 5 – Additional Compensation**

Please see Item 10 and Item 14 of this Disclosure Brochure for the explanation of insurance commissions received.

### **Item 6 – Supervision**

I am the sole affiliate of my investment adviser firm and ultimately responsible for all activities and services provided by my firm.

### **Item 7 – Requirements for State-Registered Advisers – Legal and Financial Disclosure**

I have not been the subject of any client arbitrations or similar legal disputes.