Stanton Financial Planning, LLC

10860 S. Bell
Chicago, Illinois 60643

(312) 520-2922

www.StantonPlanning.com

This Brochure provides information about the qualifications and business practices of Stanton Financial Planning, LLC. If you have any questions about the contents of this Brochure, you may telephone Michael P. Stanton at (312) 520-2922, or email him at Mike.Stanton@StantonPlanning.com to obtain answers and additional information. Stanton Financial Planning, LLC is a registered investment adviser with the State of Illinois. Registration of an investment adviser does not imply any level of skill or training. 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 Stanton Financial Planning, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. The adviser's IARD number is 177527.

March 23, 2016

Item 2—Material Changes

This brochure will be used to provide clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

March 2016:

- Item 5: Modification to the Range of Fees for an Open Retainer Engagement.

Item 3—Table of Contents

Item 4—Advisory Business

Stanton Financial Planning, LLC (SFP), established in 2015, is wholly owned by its principal advisor, Michael P. Stanton. It is located in Chicago, Illinois.

SFP provides fee-only holistic financial planning and tax planning services for individuals and families. Services include portfolio analysis, asset allocation, specific investment recommendations, income tax planning, personal income tax preparation, identification and measurement of goals and progress, risk management, education funding, retirement planning, estate planning, personal recordkeeping, cash flow and budgeting, and consultation on other financial events and decisions that have a significant impact on clients' financial well-being.

As part of the financial planning process, SFP offers advice to clients on the purchase and sale of investments. Typical investments on which clients seek and obtain advice include mutual funds, exchange-traded funds, common stocks issued by domestic and foreign companies, bonds issued by domestic companies, U.S. government securities, state and municipal securities, variable life insurance and annuity policies, and option contracts on publicly traded securities. SFP does not typically give advice on futures contracts. The specific advice rendered to clients is based on clients' investment goals, investing timeline, financial circumstances, age, risk profile, and potential liquidity needs.

SFP offers three separate types of engagements with different levels of service to suit client needs.

> Open Retainer. SFP provides financial planning services to clients that includes comprehensive planning wherein detailed investment advice and specific recommendations are provided as part of a financial plan, or advice or recommendations are provided as to a limited or specific financial matter. A financial plan is designed to help the client with their long-term financial planning without ongoing investment management or oversight after the financial plan is presented. The financial plan may include, but is not limited to: a net worth statement; a cash flow statement; a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations; strategic tax planning; a review of retirement accounts and plans including recommendations; one or more retirement scenarios; estate planning recommendations; and education planning with funding

recommendations. Implementation of recommendations in a financial plan is solely the responsibility of the client.

The financial planning process may include the following, but is not limited to:

- Goal Assessment and Clarification
- Coordinated Investment Advice
- Tax Planning and Preparation
- Value based risk management
- Identification of financial problems and formulation of solutions
- Analysis and Recommendations of any investment property based on Net Operating Income, cap rate, and client goals
- Other issues specific to individual clients, such as college savings, retirement savings, charitable giving efficiency, special needs planning, or any other number of topics
- Implementation of recommendations
- Periodic review and updates to the plan

Total hours: 10-150 hours annually.

Project Retainer/Financial Tune-up. SFP's Project Retainer/Financial Tune-up is a limited agreement giving the client the benefit of objective financial advice without requiring a long-term commitment.

The Tune Up begins with a phone interview when the client can talk about their financial concerns. Then they choose up to three specific issues they want to address in greater detail.

After the phone interview the client send us any documentation we need to address the issues chosen.

The advisor and the client then meet for a 2-3 hour personal consultation where they are advised on the topics selected. Of course, the specificity of the advice offered will depend on the complexity of the financial issues chosen. The client will typically leave the meeting with a written list of recommendations.

For 30 days following the in-person consultation the client can call for further clarification of the topics addressed.

Typical items addressed in a Project Retainer / Financial Tune Up are:

- Retirement Planning
- Beneficiary Review
- Portfolio second opinion
- College Planning
- Insurance Review
- Roth IRA Analysis

Please note: a Financial Tune Up is a restricted engagement covering a limited number of financial issues. It does not constitute a comprehensive financial plan.

Total hours: 3-5 hours

Hourly. SFP also accepts hourly services on a case-by-case basis. Hourly services may be appropriate when the client's need is less expansive than outlined in the Project Retainer / Financial Tune-Up section noted above. Singular topics of concern like these may be covered on an hourly basis:

- Education Funding options
- Portfolio Return / Benchmark Analysis
- A Friends/ Family consultation

Total hours: 1-3

SFP typically offers specific investment recommendations only to clients under the Open Retainer.

SFP does not accept discretionary investment authority from any client. SFP obtains a client's prior approval of each specific transaction prior to executing investment recommendations, as well as for the selection and retention of sub-advisors to the account. SFP will only execute transactions for clients when specifically requested and authorized to do so by the client in writing.

Clients are under no obligation to follow the advice and recommendations of SFP, and the decision whether to invest in any particular security or type of security is made by each client. Clients are not required to hold assets with a particular custodian or to give

SFP limited power of attorney for trading, though clients may choose to do so at their own discretion.

SFP does not sell insurance or investment products, and does not accept commissions as a result of any product recommendations. SFP does not pay referral or finder's fees, nor does it accept such fees from other firms.

SFP does not participate in a wrap fee program.

This is SFP's initial Part2A and filing so it has no assets under management.

Item 5—Fees and Compensation

SFP is a fee-only firm and is compensated solely by professional fees received directly from clients. Neither SFP nor any related person receives compensation that is contingent on the purchase or sale of a financial product. Neither SFP nor any related person accepts any sales commissions, referral fees, service fees or other form of compensation from any third party, nor does SFP or any related person compensate anyone else directly or indirectly for client referrals.

The specific fee arrangement for each client is established in the client's written agreement with SFP. SFP bills clients directly and accepts payment directly from clients; SFP does not deduct its fees from client accounts. Fees are determined as follows:

> Open Retainer. The fee for the Open Retainer engagement is a flat annual amount established at the outset of the engagement. The annual amount is recalculated when the engagement is renewed, typically annually. The fee is based on the client's income, marketable assets, and the complexity of his or her financial and tax situation. The first year Open Retainer fee ranges from $2,500 to $30,000. Renewal year fees range from $2,000 to $30,000 per year. SFP will rely on a fee calculator provided by The Alliance of Comprehensive Planners, of which SFP is a member, for the purpose of estimating the amount of time it will take to properly advise clients under this type of agreement. The calculation uses client income and assets to estimate the amount of time advisors should reasonably anticipate spending advising clients. More information about The Alliance of Comprehensive Planners is available in Item 10 of this Brochure. The specific services offered under an Open Retainer are described in detail in Item 4 under the Open Retainer section. The fixed fee may vary depending upon the following factors:
>
> 1. Dollar amount of assets under management;

2. Asset allocation involved;

3. Income of the client as it relates to planning.

4. Extent to which Client needs all elements of Open Retainer, as described more fully in Item 4.

Clients are billed quarterly in advance, with the first quarterly payment due on execution of the engagement agreement. Fees are not deducted from client accounts because clients maintain control of the account at all times. Either the client or SFP may terminate the engagement without cause at any time by written notice. The client may obtain a full refund by providing written notice of termination within five days of signing a retainer agreement. In the event of later termination, prepaid but unearned client fees will be promptly refunded on a pro-rata basis based on the number of days remaining in the quarterly billing period.

Project Retainer. The fee for the Project Retainer engagement is a flat amount established at the outset of the engagement. The fee is based on a projection of the professional service time required to provide the services selected by the client. The first quarterly payment of the fee is payable on execution of the engagement agreement, and any remaining fee is payable quarterly prior to the final scheduled appointment. Fees paid under a Project Retainer engagement are creditable toward a new Open Retainer engagement if an Open Retainer engagement is signed within six months of the conclusion of the Project Retainer services.

Hourly. The fee for Hourly engagements is $250 per hour. SFP will estimate the number of hours required to complete the engagement and require a retainer of 50% of the estimated amount upon execution of the agreement.

In no event will the retainer be more than $500 taken more than six months in advance of the completion of the work.

For all three types of engagements, unless a client has received SFP’s disclosure brochure at least 48 hours prior to signing the investment advisory contract, the contract may be terminated by the client within five (5) business days of signing the contract without incurring any advisory fees.

Fees are generally not negotiable. Alternative fee arrangements may be made in exceptional circumstances in the sole discretion of SFP. Lower fees for comparable services may be available from other providers.

Fees charged by SFP do not cover brokerage commissions, transaction fees, or other related expenses that may be incurred by the client in the implementation of SFP's investment advice. Clients also may incur certain other charges imposed by third parties, such as management fees, custodial fees, deferred sales charges, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on their accounts and transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in each fund's prospectus. All such expenses are borne directly by the client. SFP does not receive any portion of these payments.

Please see Item 12 for further description of the factors that SFP considers in recommending broker-dealers for client transactions.

Item 6—Performance-Based Fees and Side-By-Side Management

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

Item 7—Types of Clients

SFP generally provides financial planning and investment advisory services primarily to individuals and families, including trusts, estates, and retirement plans of clients and their family members. There is no minimum account size or net worth requirement to engage SFP.

Item 8—Methods of Analysis, Investment Strategies and Risk of Loss

The cornerstone of SFP's investment strategy is disciplined asset allocation. Within the context of a comprehensive financial plan, SFP believes that proper asset allocation is a primary determinant of investment performance. The strategy emphasizes the following elements:

1. Equities as a primary source of long term capital appreciation;

2. Global investments as a source of enhanced return and increased diversification; and

3. High quality fixed-income securities to dampen portfolio volatility and in appropriate cases provide for long-term cash flow.

Each client's financial situation is carefully examined and evaluated before an investment recommendation is made. The recommended asset allocation for each client is based on consideration of the client's age, financial condition, liquidity and cash flow needs, risk profile, tax attributes, and life goals.

SFP recommends primarily mutual funds, exchange traded funds, and individual fixed-income securities to achieve the targeted asset allocation. However, in the course of providing investment advice to each client, SFP may address issues related to other types of assets that the client already owns. SFP may discuss other products that may be appropriate for a client, based upon the client's goals, needs and objectives.

SFP gathers information from financial newspapers and periodicals, research materials prepared by others, corporate rating services, company press releases, annual reports, prospectuses, and public SEC filings.

Investing in securities of any kind involves risk of loss. All clients must be prepared to bear this risk. While SFP will use its best judgment and good faith efforts in rendering services to each client, not every investment decision or recommendation made by SFP will be profitable. Investors face the following investment risks:

- Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

- Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events. Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

- Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

- Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

- Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

- Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

- Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Item 9—Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of SFP or the integrity of SFP's management. Neither SFP nor its sole principal, Michael P. Stanton, has any information applicable to this Item.

Item 10—Other Financial Industry Activities and Affiliations

Michael P. Stanton is a member of the Alliance of Comprehensive Planners ("ACP"), a non-profit organization that promotes fee-only financial planning services and holistic planning strategies. Through ACP, SFP belongs to a national community of highly qualified, ethical advisors who provide comprehensive service and avoid material conflicts of interest with their clients. ACP provides ongoing education and practice support through the collaborative efforts of its members. ACP maintains a searchable "Find an Advisor" directory listing members and their firms on its website, www.acplanners.org.

Item 11—Code of Ethics

SFP seeks to avoid material conflicts of interest. Accordingly, neither SFP nor its investment adviser representatives nor its team members receive any third party direct monetary compensation (i.e., commissions, 12b-1 fees, or other fees) from brokerage firms, custodians, or mutual fund companies.

SFP believes that its business methodologies, ethics rules, and adopted policies are appropriate to eliminate, or at least minimize, potential material conflicts of interest, and to appropriately manage any material conflicts of interest that may remain. However, clients should be aware that no set of rules can possibly anticipate or relieve all potential material conflicts of interest. In any event, SFP will disclose to advisory clients any material conflict of interest relating to SFP, its representatives, or any of its employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

Participation or Interest in Client Transactions and Personal Trading.

SFP may buy and/or sell securities also recommended to clients. These transactions may include broadly traded mutual funds, exchange traded funds, stocks, bonds, and similar investments where personal ownership is not likely to present a conflict of interest. These transactions will be fully disclosed to clients if at any time it appears that such investing will impact any recommendation provided to clients.

SFP and its related persons, as a matter of policy, do not recommend to clients, or buy or sell for client accounts, securities in which SFP or its related persons has a material financial interest.

Item 12—Brokerage Practices

SFP may use its discretion in recommending a broker-dealer to clients. In evaluating broker-dealers, SFP considers comparative fees, the broker-dealer's facilities, reliability and financial responsibility, services provided to the client, and reputation. SFP receives no direct or indirect compensation as a result of any client implementing a broker-dealer recommendation.

Clients are not obligated to effect transactions at any broker-dealer recommended by SFP. Clients may decline to implement any advice rendered by SFP, including the recommendation of a broker-dealer.

Item 13—Review of Accounts

Michael P. Stanton is responsible for reviewing and recommending rebalancing changes to client accounts. Such account reviews occur on an annual basis, or more frequently if needed. Circumstances for more frequent reviews include requests by a client, significant changes in a client's financial condition (as disclosed by the client), or significant changes in the financial markets or tax laws.

Michael P. Stanton, as SFP's sole member and principal advisor, is the only reviewer. Mr. Stanton's formal education and business background are described in Item 19 and ADV Part 2B.

Clients receive monthly or quarterly account statements directly from their respective custodians. A more detailed portfolio review report, including a review of asset allocation and recommended rebalancing, is provided to each client at least annually by SFP. Clients are encouraged to compare these reports to the statements they receive from their respective custodian. Michael P. Stanton reviews these reports with each client in person or by telephone. Specific written investment recommendations are made at the time of review. Clients are encouraged to call or make an appointment for additional interim guidance at any time during the year.

Item 14—Client Referrals and Other Compensation

SFP is a fee-only firm and does not sell insurance or investment products, nor does it accept commissions as a result of any product recommendation. No company or person other than the client provides any economic benefit to SFP for providing service to clients. SFP does not pay fees for client referrals, nor does it accept such fees from any other person.

Item 15—Custody

SFP does not accept custody of client assets. Accordingly, SFP shall have no liability to clients for any loss or other harm to any asset in a client account. Clients should expect to receive statements at least quarterly from each broker-dealer, bank or other qualified custodian that holds and maintains client's investment assets. SFP urges clients to review such statements carefully and compare such official custodial records to any reports and other documentation that SFP may provide. The form of SFP's reports varies considerably from statements produced by the clients' custodians, and SFP's reports are not a substitute for independent custodian statements.

Item 16—Investment Discretion

SFP's role is to make investment recommendations. SFP does not accept discretionary authority over client accounts. At the client's request, SFP may execute the purchase and/or sale of investments where authorized to do so by the client on a non-discretionary basis. Non-discretion refers to the requirement to obtain the client's express written permission and approval prior to initiating any investment transaction on the client's behalf. This specific trading authority is required in addition to a limited power of attorney granting SFP limited access to a client's account.

Item 17—Voting Client Securities

As a matter of policy and practice, SFP does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in their portfolios. SFP may provide advice to clients regarding the clients' voting of proxies.

Item 18—Financial Information

SFP is required in this Item 18 to disclose certain information about its financial condition. SFP is not subject to any financial conditions that would impair its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

As stated previously in this brochure, SFP does not accept and will not have discretionary authority or custody over client funds or securities, and does not require or solicit prepayment of fees of more than $500 per client six months in advance.

Item 19—Requirements for State-Registered Advisers

Michael P. Stanton is the sole owner of Stanton Financial Planning, LLC, which was founded in 2015.

Educational Background and Business Experience

Michael P. Stanton, born in 1957, is the sole member and principal of Stanton Financial Planning, LLC, as well as its principal advisor.

<u>Education</u>:

Stanton earned his undergraduate degree from the University of Illinois in 1979 and his MBA from Roosevelt University in 1984. He completed DePaul University's CFP certification program in 2006 and obtained the CFP® certification in 2007.

Business Experience:

Stanton Financial Planning, LLC, Chicago, Illinois, Owner (2015- present)

BMO Harris Bank, N.A., Chicago, Illinois, Vice President, Director, Wealth Advisor (2005 – 2015).

Certifications:

Stanton is a Certified Financial Planner.

CFP ® Certification

CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the CFP® marks) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (CFP Board).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning and estate planning.

- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;

- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and

- Ethics – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and

- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

Disciplinary Information

Michael P. Stanton has no disciplinary information to report.

Other Business Activities

Michael P. Stanton does not receive commissions, bonuses or other compensation based on the sale of securities or other investment products and has no other business activities.

Additional Compensation

Michael P. Stanton, as the sole owner of SFP, receives all of the net business income from SFP derived from client engagements. Michael P. Stanton does not receive any additional compensation or other economic benefit from any other source for providing investment advisory services.

Supervision

Michael P. Stanton is SFP's principal, owner and sole investment advisor representative. Michael P. Stanton is solely responsible for supervision of the services and advice provided to clients and is also responsible for ensuring that SFP is adhering to the fiduciary duties owed to its clients.

Neither Mr. Stanton nor SFP is compensated with performance-based fees.

Mr. Stanton has not been found liable in any arbitration or civil claim awards that require disclosure. Furthermore, Mr. Stanton has not been the subject of a bankruptcy petition.

Mr. Stanton does not have any relationship or arrangement with any issuer of securities.

PRIVACY NOTICE

(Regulation S-P)

Pursuant to Regulation S-P adopted by the Securities and Exchange Commission, it is the policy of Stanton Financial Planning, LLC ("Stanton Financial Planning") to keep confidential nonpublic personal information (*"information")* pertaining to each current and former client (i.e., *information* and records pertaining to personal background, investment objectives, financial situation, investment holdings, account numbers, account balances, etc.) unless Stanton Financial Planning is (1) previously authorized by the client to disclose *information* to individuals and/or entities not affiliated with Stanton Financial Planning, including, but not limited to the client's other professional Advisors and/or service providers (i.e., attorney, accountant, insurance agent, broker-dealer, investment Advisor account custodian, etc.); (2) required to do so by judicial or regulatory process; or (3) permitted to do so in accordance with the parameters of regulation S-P. The disclosure of *information* contained in any document completed by the client for processing and/or transmittal by Stanton Financial Planning in order to facilitate the commencement/ continuation/ termination of a business relationship between the client and nonaffiliated third party service provider (i.e. broker-dealer, investment adviser, account custodian, insurance company, etc.), including *information* contained in any document completed and/or executed by the client for Stanton Financial Planning (i.e., Advisory agreement, client information form, etc.), shall be deemed as having been automatically authorized by the client with respect to the corresponding nonaffiliated third party service provider. Each individual and/or entity affiliated with Stanton Financial Planning is aware of Stanton Financial Planning's *privacy policy*, and has acknowledged his/her/its requirement to comply with same. In accordance with the Stanton Financial Planning *privacy policy*, each such affiliated individual and/or entity shall have access to *information* to the extent reasonably necessary for Stanton Financial Planning to perform its services for the client, and to comply with applicable regulatory procedures and requirements.

Stanton Financial Planning shall notify any client, at no charge, if there has been a breach of the security of its information data system following discovery of the breach. The disclosure notification shall be made in the most expedient way possible and without delay after the breach. The notification may be done by written or electronic notice. The disclosure notification shall include but not be limited to: (i) informing the owner of the data (the client) that a breach has occurred along with the date or approximate date of the breach, (ii) informing the client of the nature of the breach, and (iii) informing the client of the steps Stanton Financial Planning has taken or plans to take relating to the breach.

If you have any questions, please contact Michael Stanton at (312) 520-2922 or at Mike.Stanton@StantonPlanning.com.