



16 Denning Ave  
San Rafael, CA 94903

Contact Information

Paul F. Cordero, Founder and Principal

Phone: (415) 498-1447

Email: [paul@attunefp.com](mailto:paul@attunefp.com)

Website: [www.attunefp.com](http://www.attunefp.com)

**ADV Part 2A**  
**Firm Brochure**  
February 9, 2023

This Disclosure Brochure provides information about the qualifications and business practices of Attune Financial Planning. If you have any questions about the contents of this Brochure, please contact us at: (415) 498-1447/ [paul@attunefp.com](mailto:paul@attunefp.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Attune Financial Planning is a State of California Registered Investment Advisor. Registration of an investment advisor does not imply any level of skill or training. The oral and written communications of an advisor provide you with information about which you determine to hire or retain an advisor.

Additional information about Attune Financial Planning is available on the SEC's website at [www.Adviserinfo.sec.gov](http://www.Adviserinfo.sec.gov).

## Item 2 - Material Changes

This Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

No material changes have been made to this Form ADV Part 2A since the version dated February 11, 2022.

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations, and routine annual updates as required by the securities regulators. Either this complete Disclosure Brochure or a Summary of Material changes shall be provided to each Client annually and if a material change occurs in the business practices of Attune Financial Planning, LLC.

Currently, our Brochure may be requested by contacting Paul Cordero, Founder and Principal at (415) 498-1447 or [paul@Attunefp.com](mailto:paul@Attunefp.com). An electronic copy is also available for download from [www.Attunefp.com](http://www.Attunefp.com).

Additional information about Attune Financial Planning is available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Attune Financial Planning who are registered as Investment Advisor Representatives.

### Item 3 - Table of Contents

Item 1 - Cover Page.....	1
Item 2 - Material Changes .....	2
Item 3 - Table of Contents .....	3
Item 4 – Advisory Business.....	4
Item 5 – Fees and Compensation .....	8
Item 6 – Performance-Based Fees and Side-By-Side Management .....	10
Item 7 – Types of Clients .....	10
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	10
Item 9 – Disciplinary Information .....	12
Item 10 – Other Financial Industry Activities and Affiliations .....	13
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	13
Item 12 – Brokerage Practices .....	14
Item 13 - Review of Accounts.....	15
Item 14 - Client Referrals and Other Compensation.....	15
Item 15 – Custody .....	16
Item 16 - Investment Discretion .....	16
Item 17 – Voting Client Securities.....	16
Item 18 – Financial Information .....	16
Item 19 – Requirements for State-Registered Advisors.....	17

## Item 4 – Advisory Business

### A. Description of Advisory Firm

Attune Financial Planning (AFP) is a Fee-Only holistic financial planning firm that specializes in providing holistic financial planning and investment advisory services to individuals and families. The Firm is owned and operated by Paul Cordero who established registration as an Investment Advisor in the State of California in 2012. AFP offers a wide range of financial services. Specifically, Attune Financial Planning distinguishes itself from traditional investment advisory firms by providing services to meet your investment needs, as well as tax, estate planning, risk management, and retirement planning, life event planning and other special needs. All services are tailored to the particular objectives of the client.

### B. Types of Advisory Services

#### 1. Attune Partnership Program

This service involves working with AFP on an on-going basis. By paying a regular on-going quarterly fee, clients receive an individualized financial plan, and continuous access to AFP who will monitor the plan, recommend any changes and ensure the plan is up to date.

The Attune Partnership Program is composed On-going Comprehensive Financial Planning and Investment Management.

#### A. Comprehensive Financial Planning

AFP will provide Client with a comprehensive financial plan (The Plan). The Plan provides Client with a detailed assessment of their current financial status, and may include, among other things: a comprehensive evaluation of Client's financial goals, projections about future possible outcomes by using known variables to predict future cash flows, asset values and withdrawal plans. AFP will provide recommendations designed to assist Client achieve his or her financial goals and objectives as part of the Plan. AFP will address throughout the process, all questions asked by Client as they pertain to their financial situation.

In order to adequately develop and maintain the Plan, the Client will be asked to provide current copies of the following documents:

- Budget
- Wills and trusts
- Insurance policies
- Mortgage Information
- Tax Returns
- Most recent paystubs
- Social Security Statements
- Information on current retirement plans and benefits provided by your employer
- Statements reflecting current investments in retirement and non-retirement accounts
- Employment or other business agreements you may have in place
- Completed risk profiles questionnaires or other forms provided by our firm
- Plus, any other documents that is relevant to the creation of the Financial Plan

To ensure that financial data is captured in the most efficient, complete, and up-to-date manner possible, Client will be asked to utilize AFP's on-line aggregation tools to link Client's financial accounts into AFP's financial planning program, eMoney.

AFP's process incorporates in depth financial "life planning" discussions with the client to clarify their values, priorities, circumstances, and aspirations; and then guide them in defining and designing their unique version of a more fulfilled life.

The creation and implementation of the Plan will be completed over a 12 to 18 month period depending on the complexity of the Client's situation and schedule. AFP and Client will work closely together and will meet as often as necessary to develop and implement Client's Plan.

In subsequent years, AFP and Client will meet anywhere from 2 to 4 times per year to review Client's financial plan and to make any necessary adjustments. The plan and the client's financial situation and goals will be monitored and regularly scheduled meetings, follow-up phone calls and emails will be made to the client to confirm that any agreed upon action steps have been carried out.

On an annual basis there will be a full review of this plan to ensure its accuracy and ongoing appropriateness. Any needed updates will be implemented as necessary.

In general, the development of the Plan and on-going financial planning services will address any or all of the following areas of concern. The client and AFP will work together to select the specific areas to cover. These areas may include, but are not limited to, the following:

- **Cash Flow and Debt Management:** AFP will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. AFP may also recommend what AFP believes to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.
- **College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, AFP will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).
- **Employee Benefits Optimization:** AFP will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, AFP will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.
- **Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts. AFP always recommends that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. AFP may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, AFP will participate in meetings or phone calls between you and your attorney with your approval or request.

- **Goal Setting:** AFP will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.
- **Insurance:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **Investment Analysis:** This may involve developing an asset allocation strategy to meet clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments AFP may recommend are further discussed in Item 8 of this brochure.
- **Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, AFP may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, taking more risk with investments). If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.
- **Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance ("self-insuring").
- **Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, AFP may make recommendations on which type of account(s) or specific investments should be owned based in part on their "tax efficiency," with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.
  - If client desires, and it is within the scope of AFP's tax expertise, AFP will prepare the annual personal Federal and Income Tax Return of the client for an additional fee. The fee for the preparation of income tax returns starts at \$250.00.
  - When necessary, AFP will recommend that you consult with other qualified tax professionals, and AFP may provide you with contact information for other accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. AFP will participate in meetings or phone calls between you and your tax professional with your approval.

## **B. Investment Management Services**

AFP provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through the Comprehensive Financial Planning process in which goals and objectives based on a client's particular circumstances are established, AFP develops a client's investment plan with an asset allocation target. AFP will then create and manage the Client's portfolio based on that policy and allocation targets.

Account supervision is guided by the stated objectives of the client (e.g., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

AFP will periodically review the Portfolio and implement changes that AFP deems appropriate. AFP may change the target asset class allocations, and/or the specific assets held in the Portfolio.

This strategy includes advice on both investments under the control of and outside the control of AFP (which includes investment accounts such as 401(K) plans, annuities, real estate, or other investments) that are being utilized to meet the client's goals and objectives.

**Investments Under the Control of Planner:** Unless client indicates otherwise, for investments under the control of AFP, Client gives AFP Discretionary Authority to manage investments. This means that within an agreed upon strategy, AFP can make needed changes to the investments without having to consult with the client before the change is made. Similar to a limited power of attorney, discretionary authority allows AFP to implement investment decisions, such as the purchase or sale of a security, or the reinvestment / rebalancing on behalf of the Client's account, without requiring Client's prior authorization for each transaction in order to meet stated account objectives. This authority shall be granted by the Client through the execution of this Addendum, as well as the Custodian of Record's limited power of attorney form or clause that may be part of or an addendum to the Custodian of Record account opening document. The Custodian of Record will specifically limit AFP's authority within the Client's account to the placement of trade orders and the request for the deduction of advisory fees.

If client desires, AFP can manage investments on a non-discretionary basis. Before changes to Client accounts can be made, Client's prior approval is required for each transaction with regard to the investment and reinvestment of Client assets or for the Firm to give instructions to the Custodian of Record maintaining the Client Account. The Custodian of Record will specifically limit AFP's authority within the Client's account to the placement of trade orders and the request for the deduction of advisory fees. Client acknowledges that in light of the requirement for pre-approval, the Client must make themselves available and keep AFP updated on the Client's contact information so that instructions can be efficiently effected.

**Investments Outside the Control of Planner ("Held Away" Assets):** AFP will make recommendations regarding needed changes to the investments to the client. The client will then have responsibility for implementing those changes.

**Types of Investments:** Mutual funds and exchange traded funds, specifically passively managed and / or index funds are the most common investment vehicles recommended to build client portfolios. AFP may also include advice on, but is not limited to advice on, close end funds, individual bonds, certificates of deposit, actively managed funds, individual securities and annuities. AFP does not hold itself out to be an "active" trader or market timer, nor does it recommend such strategies.

#### CCR Section 260.235.2 Disclosure

For clients who receive our Financial Planning services, AFP must state when a conflict exists between the interests of our firm and the interests of our client. The client is under no obligation to act upon our recommendation. If the client elects to act on any of the recommendations, the client is under no obligation to affect the transaction through our firm.

## 2. Project Retainer

From time to time, and at its discretion, AFP may provide shorter term Project Retainer Engagements. This service is narrower in scope and usually focus on one or more of the following areas: goal setting, asset/liability analysis, tax planning, cash flow management, investment review, retirement planning, risk management, estate planning and record keeping. The service includes various client consultations as well as written and/or oral recommendations resulting from such consultations. The Project Retainer does not constitute a comprehensive financial planning engagement and follow-up advice and/or implementation assistance is not provided following the completion of the project.

### C. Client Tailored Services and Client Imposed Restrictions

AFP offers the same suite of services to all of our clients. However, specific client financial plans and their implementation are dependent upon the client's individual financial plan which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

### D. Wrap Fee Program

AFP does not participate in any wrap fee programs.

### E. Client Assets Under Management

As of February 6, 2023, AFP had \$18,347,500 in Discretionary Assets Under Management and \$1,076,500 in Non-Discretionary Assets Under Management.

## Item 5 – Fees and Compensation

Please note, unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the client within five (5) business days of signing the contract without incurring any advisory fees. How AFP is paid depends on the type of advisory service AFP is performing. Please review the fee and compensation information below.

### A. Fee Schedule

#### Assets Under Management

The annual fee is based on the Clients total Assets under Management (AUM). The AUM amount is defined as all securities, cash & cash equivalents held at AFP's custodian.

The AUM portion of the annual Comprehensive fee is calculated as follows:

Assets Under Management	Fee
On the first \$1,000,000	1.00%
\$1,00,001 - \$1,500,000	.80%
\$1,500,001 - \$2,000,000	.50%
\$2,000,001 and above	.25%



At the end of each 3-month period (a “quarter”), the value of the Account shall be determined by adding the value of the securities, cash equivalents and any cash balance in the Account. The advisory fee is a blended fee and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart, resulting in a combined weighted fee. For example, an account valued at \$1,200,000 would pay an effective fee of 0.97%. This is determined by the following calculation:  $(\$1,000,000 \times 1.00\%) + (\$200,000 \times .80\%) = \$11,600 / 4 = \$2,900$ .

The AUM Fee is charged on a quarterly basis, in arrears, and is billed in April, July, October, and January.

Unless noted otherwise by Client, Fees are debited directly from Client’s account held at the AFP’s custodian. Client authorizes AFP to instruct the account’s custodian to deduct AFP’s fee from the assets held in Client’s account as they become due and payable. At the beginning of each quarter, AFP will submit to the custodian the amount of the fee to be deducted from Client’s account and paid to AFP for compensation. AFP will also send to Client a billing summary setting forth the fee. Client is urged to compare the statements received from their account’s custodian with the billing summary sent by AFP.

The minimum annual fee is \$7,500 which is equivalent to \$750,000 in AUM. Clients with less than this AUM amount will be charged for the difference and billed to their personal bank account. For example, a client with \$350,000 in AUM will have \$3,500 ( $\$350,000 \times 1\%$ ) directly deducted from their TD Account and \$4,000 will be billed to their personal bank account.

AFP reserves the right to decrease or increase the minimum annual fee depending on the complexity of the client’s situation.

### **Project Retainer**

Services under the Project Retainer are typically provided on a flat-fee basis. AFP may negotiate an hourly fee of up to \$250 per hour for specific project requests. Flat fee Project Retainers are due at the completion of the engagement. In AFP’s sole discretion, fees may be paid with one-half due at the beginning of the engagement and the remainder upon completion.

### **B. Fee Billing**

The specific manner in which fees are charged is established in a client’s written agreement with us. AFP bills on an asset under management fee and / or fixed fee basis and as set forth in Item 5 Sec. A. AFP directly debits fees directly from the client’s investment accounts or the client can pay directly from their personal accounts.

### **C. Other Types of Fees and Expenses**

AFP’s fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual fund and exchange traded funds also charge internal management fees, which are disclosed in a fund’s prospectus. Such charges, fees and commissions are exclusive of and in addition to our fee, and AFP shall not receive any portion of these commissions, fees, and costs.

### **D. Past Due Accounts and Termination of Agreement**

AFP reserves the right to stop work on any account that is more than 30 days overdue. In addition, AFP reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in our judgment, to providing proper financial and tax advice.

Either AFP or the client may terminate an engagement at any time, without penalty, upon 30 days written notice. Upon termination of any agreement, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be

due and payable. Prepaid but unearned client fees will be promptly refunded on a pro-rata basis based on the number of days remaining in the monthly billing period.

#### **E. No Commissions**

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

AFP does not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

CCR Section 260.238(j) Disclosure

Please note, lower fees for comparable services may be available from other sources.

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

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

#### **Item 7 – Types of Clients**

AFP provides on-going financial planning and investment advisory services primarily to individuals, families, and business owners who are within 10 to 15 years to retirement, nearing retirement, or are retired. AFP can work with clients who do not meet this profile but may do so on a more limited basis. AFP maintains no minimum net-worth or asset requirements.

There is no investment minimum required to become a client of AFP. However, AFP generally requires a minimum annual fee of \$7,500 for on-going comprehensive financial planning services. AFP reserves the right to offer these services at a lower or higher minimum depending on a client's unique individual circumstances, special arrangements, or pre-existing relationships.

We also reserve the right to decline services to any prospective clients for any non-discriminatory reasons.

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

Academic research suggests that asset class selection is the prime determinant of overall investment performance. AFP therefore pursue an asset class-based investment strategy with exposure to high quality US and foreign bonds and domestic and international companies of various sizes. Performance is maximized by “owning the market” via no-load funds and pursue a “passive” investment strategy that avoids making any market timing or individual stock bets. Owning no-load passive mutual funds also minimizes costs and maximizes tax efficiency given their low turnover. In order to further increase tax efficiency, AFP holds taxable bonds whenever possible in tax deferred accounts.

AFP strongly believe in the efficiency of the market and that it is not possible to consistently outperform over time by trying to time the market or attempting to pick individual winning securities, an approach known as “active management”. While it may be true that pricing inefficiencies exist at any given moment, these are best fleeting and quickly corrected. AFP therefore believes that, in spite of these momentary inefficiencies, stock prices are always fairly set given that all available information is quickly reflected in the given stock's market value. The fact that this price may fluctuate as new information is processed by market participants has no bearing on whether one can accurately predict a stock's future performance.

Moreover, AFP approaches investment portfolio analysis and implementation based on internal factors such as your tax situation, overall risk tolerance, current financial situation, and your personal goals and aspirations. After identifying

these items, client portfolio will be structured around individual needs, while minimizing negative effects of external factors, such as interest rates, market performance, and the economy as a whole.

In general, AFP recommends no-load mutual funds (i.e., mutual funds that have no sales fees), exchange traded funds, U.S. government securities, money market accounts, certificates of deposit, and individual bonds (corporate, agency and municipal). Client portfolios will typically be constructed of institutional class; no-load, passively invested mutual funds from Dimensional fund Advisors (DFA). AFP is a DFA approved Advisor. AFP may also utilize no-load index mutual funds and Exchange Traded Funds (ETFs) from the Vanguard Group.

However, in the course of providing investment advice, AFP may address issues related to other types of assets that the client may already own. Any other products that may be deemed appropriate will be discussed, based upon the client's goals, needs and objectives.

### Market Risks Involved

Any investing in securities involves risk of loss that clients should be prepared to bear. While AFP will use its best judgment and good faith efforts in rendering services to client, not every investment decision or recommendation made by us will be profitable. AFP cannot warrant or guarantee any particular level of account performance, or that an Account will be profitable over time. part of the financial planning service. All investing strategies AFP offers involve risk and may result in a loss of your original investment which you should be prepared to bear. Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Strategy Risk:** The Adviser's investment strategies and/or investment techniques may not work as intended.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the client's portfolio.

**Turnover Risk:** At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

**Limited markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions AFP may be unable to sell or liquidate investments at prices AFP considers reasonable or favorable, or find buyers at any price.

**Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

**Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

**Inflation:** Inflation may erode the buying-power of your investment portfolio, even if the dollar value of your investments remains the same.

## Risks Associated with Securities

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Commercial Paper** is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured the risk to the investor is that the issuer may default.

**Common stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

**Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero-coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

**Bank Obligations** including bonds and certificates of deposit may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are greatly affected by interest rates and may be adversely affected by downturns in the U.S. and foreign economies or changes in banking regulations.

**Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

**Options and other derivatives** carry many unique risks, including time-sensitivity, and can result in the complete loss of principal. While covered call writing does provide a partial hedge to the stock against which the call is written, the hedge is limited to the amount of cash flow received when writing the option. When selling covered calls, there is a risk the underlying position may be called away at a price lower than the current market price.

**Exchange Traded Funds** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected. ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which client's invest.

**Investment Companies Risk.** When a client invests in open end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

## Item 9 – Disciplinary Information

### Criminal or Civil Actions

AFP and its management have not been involved in any criminal or civil action.

### **Administrative Enforcement Proceedings**

AFP and its management have not been involved in administrative enforcement proceedings.

### **Self-Regulatory Organization Enforcement Proceedings**

AFP and its management have not been involved in legal or disciplinary events that are material to a client's or prospective client's evaluation of AFP or the integrity of its management.

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

AFP is not owned or affiliated with any other financial services company, broker-dealer, banking or thrift institution, account or law firm, or insurance agency.

AFP has no arrangements that are material to its advisory services or its clients with a related person who is a broker-dealer, investment company, other investment advisor, financial planning firm, commodity pool operator, commodity trading advisor or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships.

AFP has and will continue to develop professional relationships with professionals who provide services it does not provide, including: legal, tax, accounting, mortgage brokerage, banking, insurance brokerage, investment management services and other personal services. To reduce any potential conflicts, we typically offer clients multiple referrals and encourage clients to also consider other sources for referrals. AFP does not pay or receive referral fees.

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

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each client. Our clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc., and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

#### **Code of Ethics**

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to clients.
- Competence - Associated persons shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matter shall reflect credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

AFP periodically reviews and amend its Code of Ethics to ensure that it remains current, and AFP requires all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. AFP will provide a copy of its Code of Ethics to any client or prospective client upon request.

### **Participation or Interest in Client Transactions and Personal Trading**

AFP does not currently participate in securities in which it has a material financial interest. AFP and its related persons, as a matter of policy, do not recommend to clients, or buy or sell for client accounts, securities in which the firm or its related persons has a material financial interest.

AFP or individuals associated with AFP may buy and sell some of the same securities for its own account that AFP buys and sells for its Clients. When appropriate AFP will purchase or sell securities for Clients before purchasing or selling the same securities for AFP's own account. In some cases, AFP may buy or sell securities for its own account for reasons not related to the strategies adopted by AFP's Clients. The Code of Ethics is designed to assure that the personal securities transactions will not interfere with making decisions in the best interest of advisory clients while at the same time, allowing employees to invest for their own accounts.

AFP will disclose to advisory Clients any material conflict of interest relating to AFP, its representatives, or any of its employees which could reasonably be expected to impair the rendering of unbiased and objective advice. AFP will notify Clients in advance of its policies in respect to officers trading for their own account including the potential conflict of interest that arises when recommending securities to Clients in which AFP or its principal holds a position.

## **Item 12 – Brokerage Practices**

### **Research and Other Soft-Dollar Benefits**

AFP currently does not receive soft dollar benefits.

### **Brokerage for Client Referrals**

AFP receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### **Clients Directing Which Broker-Dealer/Custodian to Use**

AFP does recommend a specific custodian for clients to use, however, clients may custody their assets at a custodian of their choice. Clients may also direct us to use a specific broker-dealer to execute transactions. By allowing clients to choose a specific custodian, AFP may be unable to achieve most favorable execution of client transaction and this may cost clients' money over using a lower-cost custodian.

### **The Custodian We Use**

AFP does not maintain custody of assets that it manages, although AFP may be deemed to have a limited custody role of Clients assets if given authority to withdraw advisory fees from Client's account (see item 15 – Custody, below). The Clients assets must be maintained in an account at a "qualified custodian", generally a broker-dealer or bank.

### **TD Ameritrade**

AFP recommends that our clients use TD Ameritrade Institutional, Division of TD Ameritrade, Inc., member FINRA/SIPC as the qualified custodian. There is no direct link between AFP's participation in the program and the investment advice it gives to its clients, although AFP receives non-economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving AFP participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction

Attune Financial Planning, LLC

ADV Part 2A: February 9, 2023



fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to AFP by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by AFP's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit AFP but may not benefit its client accounts. These products or services may assist AFP in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help AFP manage and further develop its business enterprise. The benefits received by AFP or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, AFP endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of non-economic benefits by AFP or its related persons in and of itself creates a potential conflict of interest and may indirectly influence AFP's choice of TD Ameritrade for custody and brokerage services.

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

Paul Cordero, Principal and CCO of AFP, will work with clients to obtain current information regarding their assets and investment holdings and will review this information as part of our financial planning services. AFP provides other specific reports to clients, in addition to their financial plans.

Client accounts will be reviewed regularly on at least a quarterly basis by Paul Cordero, Principal and CCO of AFP. The account is reviewed with regards to the client's investment policies and risk tolerance levels. Events that may trigger a special review would be unusual performance, addition or deletions of client-imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per client's needs.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

AFP will provide written reports to Investment Management clients on a quarterly basis. AFP urge clients to compare these reports against the account statements they receive from their custodian.

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

AFP does not receive any economic benefit, directly or indirectly, from any third party for advice rendered to our clients. Nor do we, directly or indirectly, compensate any person who is not advisory personnel for client referrals.

As disclosed under Item 12, above, AFP participates in TD Ameritrade's institutional customer program and AFP may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between AFP's participation in the program and the investment advice it gives to its Clients, although AFP receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to AFP by third party vendors.

TD Ameritrade may also have paid for business consulting and professional services received by AFP's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit AFP but may not benefit its Client accounts. These products or services may assist AFP in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are

intended to help AFP manage and further develop its business enterprise. The benefits received by AFP or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade.

As part of its fiduciary duties to clients, AFP endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by AFP or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

### **Item 15 – Custody**

AFP does not accept custody of client funds except in the instance of withdrawing client fees.

For client accounts in which AFP directly debits their advisory fee:

- AFP will send a copy of its invoice to the custodian at the same time that it sends the client a copy.
- The custodian will send at least quarterly statements to the client showing all disbursements for the account, including the amount of the advisory fee.
- The client will provide written authorization to AFP, permitting them to be paid directly for their accounts held by the custodian.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the account statements or reports that we may provide to you. Our statements or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

### **Item 16 - Investment Discretion**

For those client accounts where AFP provides investment management services, AFP can maintain discretion over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold.

Investment discretion is explained to clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the client will execute a Limited Power of Attorney, which will grant AFP discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the client.

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

As a matter of firm policy and practice, AFP 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 client portfolios. At the request of a client, AFP may provide advice to clients regarding the clients' voting of proxies.

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

Registered Investment Advisers are required to provide you with certain financial information or disclosures about their financial condition. AFP has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.



AFP does not have custody of client funds or securities or require or solicit prepayment of more than \$500 in fees per client six months in advance.

## Item 19 – Requirements for State-Registered Advisors

### EDUCATION & BUSINESS BACKGROUND

#### CERTIFIED FINANCIAL PLANNER™ Certificant - July 2014

The 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 to 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 95,000 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 – To obtain CFP® certification, an individual must pass the CFP® Certification Examination, a six-hour test designed to assess an individual’s comprehensive financial planning knowledge and ability to apply that knowledge to real-life financial planning situations. The exam covers the financial planning process, tax planning, employee benefits and retirement planning, estate planning, investment management and insurance. The overall pass rate for the exam over the past two years has been between approximately 64 percent.
- Experience – CFP® professionals must attain at least three years of financial planning work experience, which may include the supervision, direct support, teaching or personal delivery of all or part of the personal financial planning process to a client.
- Ethics – Agree to be bound by CFP Board’s *Code of Ethics and Standards of 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 Standards of Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Code of Ethics and 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.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

### **IRS Enrolled Agent (EA) Certification of Enrollment – April 2013**

An EA is a federally authorized tax practitioner who has technical expertise in the field of taxation and who is empowered by the U.S. Department of the Treasury to represent taxpayers before all administrative levels of the IRS for audits, collections, and appeals. “Enrolled” means to be licensed to practice by the federal government and “Agent” means authorized to appear in the place of the taxpayer at the IRS. Only Enrolled Agents, attorneys, and CPAs may represent any taxpayer before the IRS. The license is earned in one of two ways: (1) passing a comprehensive examination which covers all aspects of the tax code, or (2) having worked at the IRS for five years in a position which regularly interpreted and applied the tax code and its regulations. All candidates are subjected to a rigorous background check conducted by the IRS.

In addition to the stringent testing and application process, the IRS requires Enrolled Agents to complete 72 hours of continuing professional education, reported every three years, to maintain their Enrolled Agent status.

Enrolled Agents are required to abide by the provisions of the Department of Treasury’s Circular 230, which provides the regulations governing the practice of Enrolled Agents before the IRS.

### **Education:**

- Golden Gate University - Graduate Certificate in Personal Financial Planning
- Series 65: Registered Investment Advisor (Active)
- Series 7 & Series 66 Securities License (Inactive)
- California Life & Health Insurance License (Inactive)
- San Francisco State University – MBA w/ emphasis in Accounting
- San Francisco State University – BA in Industrial/Organizational Psychology

### **Business Background:**

- Attune Financial Planning – Owner and Principal Advisor (2011 to Present)
- For the previous 20 years, Paul Cordero worked in various large corporations in the field of Corporate Finance.

Neither AFP nor any management personnel of AFP have ever been found liable or required to pay any award for an arbitration claim or other civil proceeding related to an investment related activity.  
No Performance Based Fees. AFP does not use a performance- based fee structure.

There is no disciplinary history.