

Financial Planning and Information  
Services, Inc.  
115 Fourth Street, De Pere, WI 54115  
(920) 336 – 0863  
February 28, 2023

This Brochure provides information about the qualifications and business practices of Financial Planning and Information Services, Inc. If you have any questions about the contents of this Brochure, please contact us at (920) 336 -0863 or [rwempe@thefinplangroup.com](mailto:rwempe@thefinplangroup.com) Information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Financial Planning and Information Services, Inc. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Financial Planning and Information Services, Inc. (CRD No. 113110) also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

This brochure, dated February 28, 2023, represents Financial Planning and Information Services, Inc. annual updated amendment to its previously published brochure dated July 1, 2022.

Since the filing of our last updated amendment, dated July 1, 2022, there are the following material changes:

Financial Planning and Information Services, Inc. has partnered with Flourish, a third party vendor, for a high yield cash management solution. Financial Planning and Information Services, Inc. has to refer or invite clients to Flourish. Clients are in control of transferring funds to Flourish. (See Items 4 on page 5 for more details)

Financial Planning and Information Services, Inc. has started using Charles Schwab custodian services. Existing clients will remain with TD Ameritrade Institutional until further notice. New clients may begin custodian services with Charles Schwab.

Financial Planning and Information Services, Inc. is permanently suspended the hourly fee for service model effective May 31<sup>st</sup> of 2023. This service has not been offered to new clients since 2000. All current clients under the hourly fee for service arrangement will transfer to an asset management model or consider other options.

Currently, our Brochure may be requested by contacting Ryan Wempe, President and Chief Compliance Officer at (920) 336-0863 or [rwempe@thefinplangroup.com](mailto:rwempe@thefinplangroup.com).

Additional information about Financial Planning and Information Services, Inc. (CRD No. 113110) is also 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 Financial Planning and Information Services, Inc. who are registered, or are required to be registered, as investment adviser representatives of Financial Planning and Information Services, Inc.

### **Item 3 - Table of Contents**

Item 1 – Cover Page.....	<u>1</u>
Item 2 – Material Changes .....	<u>2</u>
Item 3 – Table of Contents.....	<u>3</u>
Item 4 – Advisory Business.....	<u>4</u>
Item 5 – Fees and Compensation .....	<u>6</u>
Item 6 – Performance-Based Fees and Side-by-Side Management .....	<u>9</u>
Item 7 – Types of Clients .....	<u>9</u>
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	<u>9</u>
Item 9 – Disciplinary Information .....	<u>10</u>
Item 10 – Other Financial Industry Activities and Affiliations.....	<u>11</u>
Item 11 – Code of Ethics.....	<u>12</u>
Item 12 – Brokerage Practices.....	<u>13</u>
Item 13 – Review of Accounts.....	<u>15</u>
Item 14 – Client Referrals and Other Compensation .....	<u>16</u>
Item 15 – Custody .....	<u>17</u>
Item 16 – Investment Discretion .....	<u>18</u>
Item 17 – Voting Client Securities .....	<u>19</u>
Item 18 – Financial Information .....	<u>19</u>

#### **Item 4 – Advisory Business.**

Description of the firm. Financial Planning and Information Services, Inc. (firm) is a fee-only investment adviser and financial planning firm registered with the Securities and Exchange Commission. The firm was incorporated in Wisconsin in 1986. The principal owners, directors and officers of the firm include Ryan B. Wempe, CFP®; Daniel J. Budinger, CFP®; and Rachel D. Brown, CFP®.

Services provided to clients. The firm helps clients manage investments and assists them with a variety of financial planning issues, e.g., cash flow, insurance, investments, retirement planning, college funding, and estate planning, among others. When clients require more sophisticated planning for taxes, estates, and other issues, we will refer them to professional providers of these services, and/or work with their existing specialists. The firm does not sell products or accept commissions. Our advice is tailored to each individual based on the information they provide us about their goals, their family, and their financial assets. Clients are free to follow, or disregard, any advice we provide.

Types of investments. Financial Planning and Information Services, Inc. uses primarily no-load mutual funds, and exchange-traded-index funds for investments. In addition, clients may wish to hold investments in individual stocks, annuities, corporate bonds, government bonds, and other investment vehicles. The firm's investment criteria include: 1.) diversification, 2.) reasonable on-going costs and expense ratios, 3.) reasonable risk measures, 4.) good dividend or interest income, 5.) no commissions or sales charges and 6.) reasonable transaction fees, among others. Financial Planning and Information Services, Inc. may not always use the lowest share class available due to transaction fees for rebalancing client accounts. Clients are informed of any changes in their investments and are given an opportunity to prevent any investment from occurring and/or provide additional instructions. Financial Planning and Information Services, Inc. does not participate in any Wrap Fee Programs.

Classification of client types and services. The firm provides two types of advisory services to clients, 1.) fee-for-service advice and 2.) asset management services.

Fee-for-service clients pay an hourly fee for services in addition to an annual account maintenance fee. The firm may assist these clients with opening accounts with a brokerage custodian, but it does not provide continuous and regular supervisory or management services. The firm provides advice on an intermittent or periodic basis upon request from these clients. These services have been discontinued for any new clients and are generally provided to clients who started with a fee-for-service arrangement prior to January 1, 2000.

Asset management clients usually receive a quarterly update with a portfolio analysis, various written reports and recommendations from our firm. If a client portfolio total is less than \$200,000, the firm will provide updates and portfolio reviews on a semi-annual or annual basis instead of quarterly updates. There is no minimum investment required to become a client, but Financial Planning and Information Services prefers \$200,000 in assets under management as a starting point. Asset management clients are charged a fee based on the size of the investment account(s) being managed. Asset management clients with less than \$600,000 in assets under management will incur an additional charge for tax preparation based on the tax forms required to prepare the tax return.

New client routine. A brief discussion with an advisor is preferred to make sure that engaging in a relationship would be in the best interest of both parties. Then, upon request, a prospective client is provided an information package containing a Data Survey Form, a blank contract, Brochure and Brochure Supplement, Code of Ethics, Privacy Policy, Form CRS and other information about the firm's staff and services. After receiving a completed Data Survey Form statements and tax returns among other documents and a signed contract, the firm staff prepares a variety of reports and projections to discuss with the client during a subsequent meeting. The firm also assists in the consolidation of accounts, if appropriate, with a brokerage custodian. The initial data gathering and analysis will normally involve 6-12 hours. Other time may be required to research questions, evaluate investments the client already holds, and address other concerns.

Subsequent updates and meetings. Fee-for-service clients will typically contact the firm and request a meeting to discuss their portfolios and other personal financial issues. The portfolio holdings will be analyzed to consider the current value of each investment vehicle listed in the firm's records for the client, and to evaluate the suitability of the investment. Recommendations are discussed and, after receiving permission from the client, the changes are implemented.

Asset management clients will automatically receive, by mail, email or client portal, a portfolio update and recommendations on a pre-determined basis, typically every quarter. Asset management clients are invited to arrange a meeting at any point in time. There are no limitations on the number or duration of meetings. A letter is sent with each update that suggests changes in the portfolio and typically closes with an indication that the firm will proceed with the changes unless the client contacts the firm shortly.

### Flourish

Flourish is a high yield cash management option that Financial Planning and Information Services, Inc. may refer clients to directly for cash management. The client can choose to use Flourish or consider other cash management options such

as money markets or Certificate of Deposits with other institutions. Clients are in control of transferring funds back and forth to and from Flourish. Financial Planning and Information Services, Inc. does not have access to client funds in Flourish and can only view activity through the advisor dashboard. Clients bare all risk of engaging with Flourish for cash management offering and the transferring of funds.

#### Estate Plan with EncorEstate Plans

EncorEstate Plans is a software-based platform that can help clients create their own basic estate planning documents. Financial Planning and Information Services, Inc. is not an estate planner and is not in the business of practicing law. It is recommended clients have their estate planning documents reviewed by an authorized attorney. The EncoreEstate Planning solution may include:

- Trust Agreement
- Certified Extract of Trust
- General Transfer
- Property Agreement – for community property states only
- Durable POA
- Advances Health Care Directives/Health Care POA
- HIPAA Release
- Will
- Deed work for an additional fee, fee varies per state.

#### **Item 5 - Fees and Compensation.**

Fees are generally negotiable.

The specific manner in which fees are charged by Financial Planning and Information Services, Inc. is established in a client's written agreement with Financial Planning and Information Services, Inc. Financial Planning and Information Services, Inc. will generally bill its fees on a quarterly basis. Clients will be billed in arrears each calendar quarter. Clients may also elect to be billed directly for fees or to authorize Financial Planning and Information Services, Inc. to directly debit fees from client accounts. Management fees shall not be prorated for each capital contribution and/or withdrawal made during the applicable calendar quarter. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Fee-for Service Clients.

Fee-for Service clients pay an hourly fee for services rendered on their behalf.

This service has been discontinued since 2000 and is not available to new clients. The current hourly fee is \$325.00. Bills are usually prepared and mailed after the client question is resolved, or after the update or recommendations are completed. The bill for fee-for-service clients will usually require a signature and/or other confirmation from the client to proceed with any implementation of our recommendations. All clients under an hourly fee for service arrangement will be charged an annual maintenance fee of \$175.00 per annum. This is in addition to any hourly charges incurred for services requested. An invoice for the annual maintenance fee will be sent to each hourly client every January. This service is being permanently suspended effective May 31, 2023. All hourly fee clients will move to asset management services or consider other options. The asset management services may not be in the best interest of the client.

#### Asset Management Clients.

Annual fee for asset management services is based on the following schedule:

Total assets under management	% of assets (per annum)
Up to \$200,000	1.25%
\$200,001 to \$600,000	1.0%
\$600,001 to \$1,000,000	0.75%
\$1,000,001 to \$1,400,000	0.675%
\$1,400,001 to \$1,800,000	0.65%
\$1,800,001 to \$4,000,000	0.60%
\$4,000,001 and above	Negotiable

A new client is charged an initial fee based on the total assets under management when they become a client. As the client assets increase the asset management fees may be subject to a tiered fee based on our asset management services fee schedule. For example, a client with \$500,000 under management would initially be charged an annual fee of 1.00% on the total. If the portfolio grows to \$650,000, an annual asset management fee of 1.00% would be charged on \$600,000 and a fee of 0.75% would be charged for \$50,000. If the client assets decrease the asset management fees will change according to the fee schedule. For example, a client with \$500,000 under management would initially be charged an annual fee of 1.00% on the total. If the portfolio falls below \$200,000 the annual fee will change to 1.25% on the assets under management.

An invoice is sent with each portfolio update and analysis. The fee is determined by

multiplying the portfolio total at the time of the update by the appropriate prorated annual asset management fee. For example, a quarterly update for a \$300,000 portfolio will be billed at the rate of 0.25% of this portfolio value. The quarterly 0.25% (0.0025 as a decimal) fee equals one-fourth the annual 1.00% (0.01) fee for a portfolio of this size. The quarterly bill would be \$750.00 (\$300,000 x .0025).

As of December 31, 2022, the discretionary assets under management totaled approximately \$896,740,089. Assets under advisement totaled approximately \$9,133,842. Hourly fee for services assets totaled \$97,421,324 in assets under advisement. This is calculated using a data aggregation software for all client assets under management including any held away accounts that FPIS, Inc. can retrieve real time quotes for on a regular and continuous basis. The firm does not have any non-discretionary assets under management that receive continuous and regular supervision.

Financial Planning and Information Services, Inc.'s fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, 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 funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Financial Planning and Information Services, Inc. may not always use the lowest mutual share class available.

Such charges, fees and commissions are exclusive of and in addition to Financial Planning and Information Services, Inc.'s fee, and Financial Planning and Information Services, Inc. shall not receive any portion of these commissions, fees, and costs.

#### Estate Plan with EncorEstate Plans Fees

Financial Planning and Information Services, Inc. will assist clients in guiding them through the EncorEstate Planning software, but will not provide legal advice to clients or implement any estate plan. Financial Planning and Information Services, Inc. may help complete basic information for clients that is readily available to staff already. Financial Planning and Information Services, Inc. will be charging the client between \$1,200 - \$1,800 for a Trust based plan and in addition there is a charge for any Quitclaim deed(s) on property, that varies from state to state.

#### Property Deeds Filed:

All prices below include all County Recorder fees and costs for EncorEstate Plans to



pull the last recorded deed, prepare the deed, and prepare all state and county specific documents:

- \$450: New York
- \$400: Washington
- \$350: Nevada and New Jersey
- \$300: Illinois and Wisconsin
- \$250: All other states
- This service is not available in Louisiana, Massachusetts, Hawaii, North Carolina, and District of Columbia.

#### **Item 6. Performance-Based Fees**

Financial Planning and Information Services, Inc. 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**

Financial Planning and Information Services, Inc. provides portfolio management services to primarily individuals and high net worth individuals. Occasionally, services may also be provided to corporate pension and profit-sharing plans, charitable institutions, and foundations.

#### **Item 8. Methods of analysis, investment strategies, and risk of loss.**

Portfolio management goals and processes. A portfolio will be rebalanced to achieve a *target mix* of equity-oriented investments, e.g., stock funds, and fixed-income investments, e.g., bond funds, bank accounts. The firm will also recommend *targets for various investment style categories*. Investment style categories address the types of stocks or bonds held by a mutual fund or other investment vehicle. For equity investments (stocks), the style categories incorporate company size and the value vs. growth orientation of the typical stock held in the fund. For example, a large cap growth fund will hold primarily large company stocks of firms that pay few dividends and that emphasize increasing the size of their firm and its product offerings. Investment style categories for fixed-income investments incorporate the maturity (short, intermediate, or long term) of the individual fund holdings and the quality of the issues (low, medium, or high). For example, a US treasury bill would be categorized as a high quality, short-term holding.

Other categories may be used, such as international funds holding foreign

investments and specialized funds, e.g., materials, energy, real estate and others.

The equity vs. fixed-income targets for an individual client are based on a variety of factors, such as, risk tolerance, age, portfolio size, goals, and time horizon, short-term cash needs among others. The rebalancing process will typically involve returning to our target mix. If stocks fall during a particular quarter, the firm will recommend buying stock-oriented investments. If the stock market moves higher during a quarter, the recommendation will be to sell sufficient stock holdings to return back to our target.

Targets for investment style categories are established based on the investment committee's analysis of risk, current economic conditions, diversification, and expected returns.

The rebalancing process will combine tactical changes, e.g. selling a part of investments that have prospered, and strategic changes, e.g. increasing investment exposure to investment categories expected to do well in the future. Tax loss harvesting and other tax impacts of rebalancing are also considered in the process.

Returning to a pre-determined target for equities vs. fixed-income holdings, and targets for the desired investment style categories provides an opportunity to "buy low, sell high." Increasing exposure to foreign investments based upon an expectation that foreign markets will do better than domestic markets, for example, is a strategic move based on our beliefs, knowledge, and experience.

Risk of Loss. Investing in securities involves risk of loss that clients should be prepared to bear. Although we manage your portfolio with strategies and in a manner consistent with your risk tolerances, there can be no guarantee that our efforts will be successful. You should be prepared to bear the risk of loss.

All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends, and other distributions), and the loss of future earnings. These risks include market risk, interest rate risk, issuer risk, and general economic risk. Regardless of the methods of analysis or strategies suggested for your particular investment goals, you should carefully consider these risks, as they all bear risks.

## **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 Financial Planning and Information Services, Inc. or the integrity of Financial Planning and Information Services, Inc.'s management. Financial Planning and

Information Services, Inc. has no information applicable to this Item.

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

Registered investment advisers are required to disclose any relationships or arrangements with financial industry firms, or individuals, which may create a conflict of interest. No management person, or related person, has such arrangements and no known conflicts of interest exist. From time to time, management persons or employees of Financial Planning and Information Services, Inc. may receive informational content from financial industry firms or de minimis gifts.

Ryan B. Wempe is actively engaged in two Limited Liability Companies, Black Puck Realty, LLC. and Breck Hills, LLC, and owns and rents farmland in Canada. Black Puck Realty, LLC. is a commercial real estate business and Breck Hills, LLC. is a vacation rental business. Although actively involved in both entities, they require very little time. Both LLC's and the farmland do generate income. Black Puck Realty, LLC. was formed for the sole purpose of owning the office building that Financial Planning and Information Services, Inc. operates out of. The farm in Canada is a passive rental and the land is rented to an extended family member. These additional business activities have no impact on the day-to-day operations of Financial Planning and Information Services, Inc.

Ryan B. Wempe is also on the board for Foster the Village, a non-profit organization. Ryan's acting role on this board is currently treasurer. Ryan's position with Foster the Village requires limited time commitment and poses no conflict of interest to the day-to-day operations of Financial Planning and Information Services, Inc.

Dan Budinger is actively engaged in a Limited Liability Company, Black Puck Realty, LLC. Black Puck Realty, LLC. is a commercial real estate business that does generate income. Although actively involved in Black Puck Realty, LLC., the business operations require very little time. Black Puck Realty, LLC. was formed for the sole purpose of owning the office building that Financial Planning and Information Services, Inc. operates out of. This additional business activity has no impact on the day-to-day operations of Financial Planning and Information Services, Inc.

Rachel Brown is actively engaged in a Limited Liability Company, Black Puck Realty, LLC. Black Puck Realty, LLC. is a commercial real estate business that does generate income. Although actively involved in Black Puck Realty, LLC., the business operations require very little time. Black Puck Realty, LLC. was formed for the sole purpose of owning the office building that Financial Planning and

Information Services, Inc. operates out of. This additional business activity has no impact on the day-to-day operations of Financial Planning and Information Services, Inc.

### **Item 11 – Code of Ethics**

Financial Planning and Information Services, Inc. has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Financial Planning and Information Services, Inc. must acknowledge the terms of the Code of Ethics annually, or as amended.

Financial Planning and Information Services, Inc. anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Financial Planning and Information Services, Inc. has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Financial Planning and Information Services, Inc., its affiliates and/or clients, directly or indirectly, have a position of interest. Financial Planning and Information Services, Inc.'s employees and persons associated with Financial Planning and Information Services, Inc. are required to follow Financial Planning and Information Services, Inc.'s Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Financial Planning and Information Services, Inc. and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Financial Planning and Information Services, Inc.'s clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Financial Planning and Information Services, Inc. will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Financial Planning and Information Services, Inc.'s clients.

In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market

activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Financial Planning and Information Services, Inc. and its clients. If a conflict does exist, owners of Financial Planning and Information Services, Inc. will analyze the situation and appropriate steps will be implemented. This may include disciplinary action for the employee in violation.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Financial Planning and Information Services, Inc.'s obligation of best execution. In such circumstances, the affiliated and client accounts will follow the same random trading process which is done on a per account basis. Clients may or may not receive better trade pricing under this process, however there is no conflict of interest or harm to the client. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Financial Planning and Information Services, Inc. will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

Financial Planning and Information Services, Inc.'s clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Ryan Wempe, Chief Compliance Officer.

It is Financial Planning and Information Services, Inc.'s policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Financial Planning and Information Services, Inc. will also not cross trade between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account.

An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

The firm is not affiliated with any broker/dealer firm. The firm will generally recommend that assets be consolidated in accounts with TD Ameritrade

Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC ("TD Ameritrade"), the custodian we currently prefer to use. TD Ameritrade was selected due to the large number of mutual fund options that were both no-load and no-transaction-fee funds. TD Ameritrade also exhibits superior "best execution" practices that mean they tend to get better than average prices on the sale, or purchase, of stocks. The firm also benefits from being able to access account information, and implement transactions, via the internet. It is also helpful to have the majority of accounts with a single custodian to simplify record keeping, backing up data, and working with the brokerage staff. TD Ameritrade, Inc. is a discount broker with trading commissions and other fees among the lowest in the industry. Our firm is not employed by TD Ameritrade, Inc. and receives no monetary compensation from the brokerage firm. In limited circumstances, other brokerage firms may be recommended.

#### We recommend Charles Schwab & Co., Inc. Advisor Services

In suggesting a broker to clients, the firm seeks to select those brokerage firms that will provide the best services at competitive commission rates compared to industry peers. The reasonableness of best execution is based on several factors including the broker's ability to provide professional services, competitive commission rates, the reputation of the firm and its principals, reliability and financial responsibility and other considerations. TD Ameritrade, Inc. is asked, from time to time, to provide a report on its efforts to provide best execution for all orders.

The firm may receive research products and services from the brokerage custodian that includes economic surveys, data, financial publications, and computer software and services. These products and services permit us to effect securities transactions and perform functions incidental to transaction executions. The firm will generally use such products and services to provide lawful and appropriate assistance to the staff in performing investment decision-making responsibilities for all clients.

The following is a list of products, services, or other benefits we receive as a result of our relationship with TD Ameritrade:

1. Reduced or waived registration fees for attendance at TD Ameritrade sponsored conferences and events.
2. Reduced subscription costs for products offered by vendors involved in the TD Ameritrade VEO Open Access and VEO One, e.g., Morningstar®, iRebal, Redtail CRM, LazerApp, Docusign, Right Capital, among others.
3. Free use of the Veo and Veo ONE platform developed by TD Ameritrade to facilitate trading, account management, and other transactions.
4. Various print publications and other educational opportunities, such as

webcasts.

Financial Planning and Information Services, Inc. does not receive any “soft dollars” that serve as credits to buy services or benefits. The assistance we receive from TD Ameritrade is provided to any investment advisory firm that uses this custodian and is commonly provided by competitors. Nevertheless, these benefits will impact our decision to use TD Ameritrade as a custodian and may result in higher costs for some client transactions.

For most new clients, brokerage accounts are established with TD Ameritrade, Inc. and existing accounts are moved, and consolidated in the new account(s). Clients may utilize the brokerage firm of their choice, however, and have no obligation to purchase or sell securities through a broker the firm recommends.

### **Item 13 – Review of Accounts**

As explained in Item 8, the firm established various targets for each client based on a variety of factors, such as, risk tolerance, age, portfolio size, goals, and time horizon, among others. The rebalancing process will typically involve returning to our target mix. If stocks fall during a particular quarter, the firm will likely recommend buying stock-oriented investments. If the stock market moves higher during a quarter, the recommendation will be to sell sufficient stock holdings to return to our target.

As explained in Item 4, most accounts and portfolios are rebalanced every quarter. If portfolios totals fall below \$200,000, we may rebalance the portfolios on a semi-annual or annual basis. The rebalancing process generally involves the preparation of at least two written reports and a list of recommendations.

One written report is our *Portfolio Analysis* that shows our listing of investment vehicles both equity and fixed income investments. The total for each category is used as the basis to recommend changes in the total portfolio distribution.

Another report is an *Investment Style Grid* that shows the distribution of equity and fixed income investment vehicles based on their investment style orientation. For equities, the grid shows the intersections of company size, value vs. growth characteristics, and specialized portfolio orientations, if appropriate. For fixed income the grid indicates credit quality and duration.

Our typical written letter will discuss current economic and market conditions. Also enclosed with the letter is a discussion of the client’s portfolio gain or loss in dollar terms, and a list of recommended changes. The letter usually closes with a phrase similar to the following...”unless we hear from you shortly, the recommendations listed above will be implemented”.

The review of accounts is conducted by members of the firm's investment committee comprised of experienced investment professionals and Certified Financial Planner™ Certificants. The firm's staff will assist in compiling the data and preparing the recommendations, but a member of the investment committee reviews every letter.

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

Financial Planning and Information Services, Inc. does not compensate any person who is not an employee for client referrals. The firm does not receive any compensation or economic benefit from anyone other than clients for providing investment advisory services.

Charles Schwab & Co., Inc. Advisor Services provides Financial Planning and Information Services, Inc with access to Charles Schwab & Co., Inc. Advisor Services' institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Charles Schwab & Co., Inc. Advisor Services. Charles Schwab & Co., Inc. Advisor Services includes brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For Financial Planning and Information Services, Inc client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor Services generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts.

Charles Schwab & Co., Inc. Advisor Services also makes available to Financial Planning and Information Services, Inc other products and services that benefit Financial Planning and Information Services, Inc but may not benefit its clients' accounts. These benefits may include national, regional or Financial Planning and Information Services, Inc specific educational events organized and/or sponsored by Charles Schwab & Co., Inc. Advisor Services. Other potential benefits may include occasional business entertainment of personnel of Financial Planning and Information Services, Inc by Charles Schwab & Co., Inc. Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist Financial Planning and Information Services, Inc in managing and administering clients' accounts. These include software and other technology (and related technological training) 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, if applicable), provide research, pricing information and other market data, facilitate payment of



Financial Planning and Information Services, Inc's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of Financial Planning and Information Services, Inc's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to Financial Planning and Information Services, Inc other services intended to help Financial Planning and Information Services, Inc manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, and human capital consultants, insurance and marketing. In addition, Charles Schwab & Co., Inc. Advisor Services may make available, arrange and/or pay vendors for these types of services rendered to Financial Planning and Information Services, Inc by independent third parties. Charles Schwab & Co., Inc. Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Financial Planning and Information Services, Inc. Financial Planning and Information Services, Inc is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.

### **Item 15 – Custody**

Any investment advisor having custody or access to customer funds or securities must comply with certain rules and regulations designed to protect the clients' assets. Rule 206(4)-2 of the Investment Advisers Act of 1940 details strict requirements governing investment advisors that have "custody" over client securities or funds. Financial Planning and Information Services, Inc. meets the definition of having custody due to the following circumstances:

- Financial Planning and Information Services, Inc. directly debits fees from client accounts.
- Standing Letters of Authorization, Wire Transfer and/or Check-Writing Authority

Our firm, or persons associated with our firm, may affect wire transfers from client accounts to one or more third parties designated, in writing, by the client without obtaining written client consent for each separate, individual transaction, or we may have signatory and check writing authority for client accounts, as long as the client has provided us with written authorization to do so. Such written authorization is known as a Standing Letter of Authorization. An adviser with authority to conduct such third-party wire transfers or to sign checks on a client's behalf has access to the client's assets, and therefore has custody of the client's assets in any related accounts. However, we do not have to obtain a surprise annual audit, as we otherwise would be required to by reason of having custody, as long as we meet the following criteria:

1. You provide a written, signed instruction to the qualified custodian that includes the third party's name and address or account number at a custodian;
2. You authorize us in writing to direct transfers to the third party either on a specified schedule or from time to time;
3. Your qualified custodian verifies your authorization (e.g., signature review) and provides a transfer of funds notice to you promptly after each transfer;
4. You can terminate or change the instruction;
5. We have no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party;
6. We maintain records showing that the third party is not a related party to us nor located at the same address as us; and
7. Your qualified custodian sends you, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

We hereby confirm that we meet the above criteria

Financial Planning and Information Services, Inc. does not have physical custody of any client funds and/or securities. Client funds and securities will be held with a bank, broker dealer, or other independent qualified custodian. You will receive account statements from the independent, qualified custodian holding your funds at least quarterly. The account statement from your custodian will indicate the amount of advisory fees deducted from your account(s) each billing cycle. Clients should carefully review statements received from the custodian. Financial Planning and Information Services, Inc. also sends quarterly invoices detailing the manner and amount of advisory fees to all clients. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

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

Before Financial Planning and Information Services, Inc. can buy or sell securities on your behalf, you must first sign our discretionary management agreement, a limited power of attorney, and/or trading authorization forms. By choosing to do so, you grant the firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

Clients may impose limitations on discretionary authority for investing in certain securities or types of securities (such as a product type, specific companies, specific sectors, etc.), as well as other limitations as expressed by the client. Limitations on discretionary authority are required to be provided to the IAR in writing.

When selecting securities and determining amounts, Financial Planning and

Information Services, Inc. observes the investment goals, limitations and restrictions of the clients for which it advises. For registered investment companies, Financial Planning and Information Services, Inc.'s authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

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

As a matter of firm policy and practice, Financial Planning and Information Services, Inc. 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. Financial Planning and Information Services, Inc. may provide advice to clients regarding the clients' voting of proxies.

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

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Financial Planning and Information Services, Inc.'s financial condition. Financial Planning and Information Services, Inc. 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. In addition, our firm does not require or solicit the payment of \$1,200 or more, six or more months in advance.