

# Item 1: Cover Page

## Flow Financial Planning, LLC

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Bellingham WA, 98225

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<http://flowfp.com>

## Form ADV Part 2A – Firm Brochure

Dated February 21, 2020

This Brochure provides information about the qualifications and business practices of Flow Financial Planning, LLC, “Flow”. If you have any questions about the contents of this Brochure, please contact us at 360-643-0788. 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.

Flow Financial Planning, LLC is registered as an Investment Adviser with the States of Washington and California. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about Flow is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the firm’s identification number 281934.

## Item 2: Material Changes

Please see the following material changes since the most recent filing of Form ADV Part 2A, dated August 12th, 2019.

- Item 5: The firm has updated the fees for the Annual Advisory Services Fee and Billing.

**Future Changes.** 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. 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 Flow

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for our firm name or by our CRD number 281934.

You may also request a copy of this Disclosure Brochure at any time, by contacting us at 360-643-0788.

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# Item 4: Advisory Business

## Description of Advisory Firm

Flow Financial Planning, LLC is registered as an Investment Adviser with the States of Washington and California. We were founded in 2016. Margaret Helen Bartelt is the principal owner of Flow. Assets Under Management are \$29,170,902 as of December 31, 2019.

## Types of Advisory Services

### Annual Advisory Services—Comprehensive Wealth Management

Flow provides comprehensive wealth management services for a flat annual fee. Clients will have regularly scheduled meetings through the term of the engagement, depending on their individual situation. In addition to scheduled meetings, additional face-to-face, email, and/or phone consultations are included at no extra charge.

The client and Flow jointly review the client's goals and values around money, net worth, cash flow, insurance, employee benefits, retirement planning, insurance, investments, etc. (full list below). Flow then does a comprehensive analysis of the client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they affect and are affected by the entire financial and life situation of the client.

Clients purchasing this service will receive a written or an electronic report, providing the client with an overview of their current financial condition, as assessment of their risks and opportunities, their current goals, and Flow's recommendations for achieving their goals and mitigating their risks.

Clients get continuous access to a planner who will help the client implement recommendations, monitor the plan, make additional recommendations as previous recommendations are implemented, reach out for regular client meetings, adapt the plan to changing circumstances in the client's life, recommend changes when necessary, and ensure the plan is up to date.

The client is expected to inform Flow when changes or concerns arise and to provide necessary documents and data for Flow to use in our analysis. Clients might have changes or concerns in any of the areas enumerated below, as were covered in the initial analysis. Flow will review the new information in the context of the existing plan and share our findings, analysis and potential recommendations with the client. Clients subscribing to this service will receive a written or an electronic report for

each issue after we work through it. The plan and the client's financial situation and goals will be monitored throughout the year and 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 at that time.

As part of the Annual Advisory Service, Flow provides discretionary investment advisory services. With discretionary authority, Flow is given the authority to conduct trades in a client's account and give instructions to the account's custodian, without prior consent of the client. For any assets under advisement, not management, the Adviser will review and recommend changes annually.

Investment advisory services may involve developing an asset allocation strategy to meet clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, and reviewing company stock ownership. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

Account supervision is guided by the stated objectives of the client (for example, capital appreciation or capital preservation), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Flow recommends both mutual funds and exchange-traded funds. The recommended mutual funds are no-load funds.

Flow's services in these engagements can also include, but are not limited to, the following:

- **Cash Flow Management:** We 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 loans to pay off first based on factors such as the interest rate of the loan and any income tax ramifications. We may also recommend what we believe 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 Planning:** 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, as is a review of your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).

- **Employee Benefits Optimization:** We 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, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.
- **Business Planning:** We provide consulting services for clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your 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 can include ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts. We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We 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, we will participate in meetings or phone calls between you and your attorney with your approval or request.
- **Financial Goals:** We will help clients identify financial goals and develop a plan to reach them. We 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:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **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, we 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, we 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.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

- **Real Estate Planning Strategies:** Clients can have a significant portion of their net worth tied up in real estate, especially their primary residence, and especially in high-cost-of-living areas. Our analysis and advice will focus on the role that real estate (both residence and rental) plays in your total financial picture and how to best balance the risks and potential rewards of real estate ownership with those of your investment portfolio and the rest of your financial picture. Specific analyses may include refinancing, the “should I pay off my mortgage faster or invest more” question, and leveraging high home values when making plans for the future.

**Conflict of Interest:** A conflict exists between the interests of Flow and the interests of the client. The client is under no obligation to act upon the investment adviser's recommendation, and if the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through the investment adviser.

### One-Time Comprehensive Financial Plan

The client and Flow jointly review the client’s goals and values around money, net worth, cash flow, insurance, employee benefits, retirement planning, investments, etc. Flow then does a comprehensive analysis of the client’s current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they affect and are affected by the entire financial and life situation of the client.

Clients purchasing this service will receive a written or an electronic report,

providing the client with a detailed financial plan designed to achieve his or her stated financial goals. The client is expected to inform Flow when changes or concerns arise and to provide necessary documents and data for Flow to use in our analysis.

No follow-up advice is provided in a One-Time Comprehensive Financial Plan engagement following the completion of the project. No investment management services are provided in such an engagement. Clients are solely responsible for implementing any recommendations made by Flow. Clients are not obligated to implement any recommendations through Flow.

In general, the financial plan will address any or all of the areas of concern enumerated above in the Annual Advisory Services. The client and advisor will work together to select the specific areas to cover.

**Conflict of Interest:** A conflict exists between the interests of Flow and the interests of the client. The client is under no obligation to act upon the investment adviser's recommendation, and if the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through the investment adviser.

## Online Courses

Flow occasionally creates online courses that are sold through third-party online course platforms to the general public. Topics may include issues related to job offers, stock compensation, employee benefits choices, or retirement strategies. Our courses are educational in nature and do not involve the sale of insurance or investment products. Information presented will not be based on any one person's need nor do we provide individualized investment advice to attendees during our general sessions.

## Webinars

Flow provides occasional webinars for an organization called Tech Ladies®. (Tech Ladies® is a professional organization of women in the technology industry.) Topics may include issues related to job offers, stock compensation, investing basics, employee benefits choices, or retirement strategies. Our webinars are educational in nature and do not involve the sale of insurance or investment products. Information presented will not be based on any one person's need nor do we provide individualized investment advice to attendees during our general sessions.

## Speaking Engagements

We perform speaking engagements for groups desiring general advice on personal finance and investing. Topics may include issues related to investing, stock compensation, employee benefits choices, or retirement strategies. Our speaking engagements are educational in nature and do not involve the sale of insurance or investment products. Information presented will not be based on any one person's need nor do we provide individualized investment advice to attendees during our

general sessions.

## Client Tailored Services and Client Imposed Restrictions

We offer the same suite of services to all of our clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement and Risk tolerance questionnaire. The IPS 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.

## Wrap Fee Programs

We do not participate in wrap fee programs.

## Item 5: Fees and Compensation

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

Flow's fee and the specific manner in which fees are charged is established in each client agreement with the client. In no event will Flow collect more than \$500.00 more than six months in advance from any client.

Please note, unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the client agreement, the client agreement may be terminated by the client within five (5) business days of signing the client agreement without incurring any advisory fees and without penalty.

## Annual Advisory Services Fee and Billing

The fee for service is determined at the beginning of the client relationship and reevaluated whenever significant changes occur to the client's financial situation or assets under management. It is billed in advance, based on a flat fee. Both the client and the Advisor agree to the total cost of the service prior to beginning any work.

Flow and the client will re-execute agreements with clients in the event that there is a change in the client's fee.

Fees will be assessed pro rata in the event that the agreed-upon annual services commence subsequent to the first day of a calendar month. Clients pay the fee one of two ways:

1. Monthly, through Electronic Funds Transfer
2. Quarterly, debited directly from the Clients' account, at the discretion of the Client, by the custodian upon submission of an invoice to the custodian indicating the account number and amount of fees to be paid.

In some cases, a client may be permitted to pay fees by check.

The annual fee is based on the assets to be managed by Flow as of the start of the engagement, as reported to Flow by the client before starting the engagement. The fee is a blended rate of these brackets:

Assets under Management	Fee %
\$0 - \$1,000,000	1.00%
\$1,000,001 - \$3,000,000	0.50%
\$3,000,001 and above	0.25%

For example:

- Client assets under management = \$4M
- Client fee =
  - \$1M x 1% = \$10,000
  - Next \$2M x 0.50% = \$10,000
  - Final \$1M x 0.25% = \$ 2,500
  - Total fee = \$25,000 (0.625% of AUM)

The minimum annual fee is \$6000 for a single person and \$8000 for a couple.

The annual fee will not exceed 2% of assets under management. If the calculated fee does exceed 2% AUM, then:

1. If the fee exceeds 2% of AUM from the onset of the client engagement, then Flow will track tasks and hours and earn the fees based on hours worked, based on an hourly rate of \$400.
2. If the flat fee does not exceed 2% of AUM to begin with but, because of changes to the portfolio, it now does, Flow will either lower the fee to be below 2% or justify the fee based on hours, as above described.

Flow will calculate % of AUM every 6 months to ensure fees don't exceed 2%.

Flow uses an hourly rate only in order to calculate fees earned from clients, either as part of the Annual Advisory Service (in the event fees represent > 2% of AUM) or a One-Time Comprehensive Financial Plan (in the event the client engagement ends

before delivery of the plan). Flow does not provide hourly services.

Either the client or Flow may terminate the engagement without cause at any time by written notice. The client may obtain a full refund by providing written notice of termination within five days of signing the client agreement. In the event of later termination, prepaid but unearned client fees will be promptly refunded on a pro-rata basis based on the number of days remaining in the billing period. Refunds will be issued by check or by electronic funds transfer. At termination, Flow will deliver to the client all work performed for the client that has not already been delivered.

In all instances, Flow will send the client a written invoice, including the fee, the formula used to calculate the fee, the time period covered by the fee, and, if applicable, the amount of assets under management on which the fee was based. Flow will send these to the client concurrent with the request for payment or payment of the adviser's advisory fees.

For clients whose fee Flow justifies by hours worked:

1. Every 6 months, we issue an invoice that outlines all the tasks and associated hours for the previous 6 months.
2. At that point, we reconcile the fees earned with the fees paid.
  - a. If fees paid exceed fees earned, we issue a refund for the excess.
  - b. If fees earned exceed fees paid, the unpaid fees will be included in the next 6-month cycle.

We urge the client to compare this information with the fees listed in the account statement.

**Discounting of Advisory Fees.** The services to be provided to the client and their specific fees will be detailed in the client agreement. The firm's published fees are negotiable. We strive to offer fees that are fair and reasonable in light of the experience of our firm and the services to be provided to the client.

**For California Residents:** We are obligated under California statute to inform you that lower fees for comparable services may be available from other sources.

## One-Time Comprehensive Financial Plan

A One-Time Comprehensive Financial Plan costs \$6000-\$10,000, depending on the complexity of the client's financial and tax situation. For example, a client who is a couple, has stock options, and owns their own business would require greater firm resources in the form of time and expertise and would therefore merit a higher fee than a single person with just salary compensation.

Half the fee is due upon signing the client agreement, and the remaining half due upon delivery of the plan. The service may be terminated at any time, effective immediately. If service is terminated before delivery of the plan, Flow will deliver the work already done. If less than half the work has been performed at termination, Flow will refund the client, by check, for the unearned amount. If more than half the work has been performed at termination, Flow will invoice the client for the additional amount due. The refund or additional amount due will be calculated based on an hourly rate of \$400/hour.

Flow uses an hourly rate only in order to calculate fees earned from clients, either as part of the Annual Advisory Service (in the event fees represent > 2% of AUM) or a One-Time Comprehensive Financial Plan (in the event the client engagement ends before delivery of the plan). Flow does not provide hourly services.

The fee is negotiable. Clients will receive an invoice for fee payment requests.

**For California Residents:** We are obligated under California statute to inform you that lower fees for comparable services may be available from other sources.

The fee is payable by check or Electronic Funds Transfer.

## Online Courses

Online courses, as hosted on third-party online-course platforms, will cost between \$50 and \$200 per attendee, depending on the length and complexity of the course, the deliverables provided, and the involvement of other professionals in the creation and presentation of the course. The fee is collected, via electronic funds transfer, prior to the webinar. The fee is not negotiable.

## Webinars

Currently Flow offers webinars only for the Tech Ladies® organization. Tech Ladies® sets the ticket price and currently pays Flow a percentage of the ticket price, at their discretion. Flow is paid directly by Tech Ladies® via electronic funds deposit, after the completion of the webinar.

## Speaking Engagements

Speaking engagements will range in price between \$400 - \$1000 (exclusive of travel-cost reimbursement) depending on the length, location and enrollment. The client and Flow will agree on the fee associated with a specific engagement before it occurs.

The fee is negotiable, and speaking engagements may be provided pro bono. The fee will be collected after the speaking engagement is performed.

#### Termination:

- If the advisor terminates the engagement because of inclement weather and has made all reasonable attempts to make alternative travel arrangements, the client does not owe any speaker fees but is responsible for any non-refundable travel expenses already incurred.
- If the advisor terminates the engagement due to health or similar unforeseen circumstances, the client does not owe any fees (no speaker fee, no travel expenses).
- If the client terminates the engagement for any reason besides weather or similar unforeseen causes, the client will be responsible for reimbursements of any non-refundable travel expenses already incurred, and will provide payment for 50% of the speaking fee if the termination occurs within 30 days of the event.
- In the event of termination, no refund is necessary because no fees are paid until the end.

The fee is payable by check or Electronic Funds Transfer.

## Other Types of Fees and Expenses

Our 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 we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for client's transactions and determining the reasonableness of their compensation (for example, commissions).

We do 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.

## Item 6: Performance-Based Fees and Side-By-Side Management

We do not offer performance-based fees.

## Item 7: Types of Clients

There is no minimum account size for any of our clients. Flow generally provides investment advice to individuals, families, small businesses, and trusts.

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

Our primary method of investment analysis is Passive Investment Management.

### Passive Investment Management

We primarily practice passive investment management. Passive investing involves building portfolios that are comprised of several distinct asset classes. The asset classes are weighted in a manner to reflect a targeted balance between risk and return. Passive investing seeks to match market returns at minimal cost, not beat them. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. To build our clients' portfolios in alignment with this approach, we typically use low-cost, heavily diversified index mutual funds and exchange traded funds.

We generally do not advise clients on the purchase of any securities other than those just listed, but sometimes clients come to Flow with other securities—such as individual stocks, actively managed mutual funds, annuities, etc.—already in their portfolio. In that case, we do advise clients on whether or not they should keep those securities. Additionally, we *do* advise clients on the purchase of employer stock offered through various employee benefits plans.

Passive investment management is characterized by low portfolio expenses (that is, the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

In contrast, active management involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated

benchmark. Academic research indicates most active managers underperform the market.

## Material Risks Involved

**All investing strategies we offer involve risk and may result in a loss of your original investment** 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.

**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.

**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.

**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.

**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.

**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.

**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). 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 clients invest.

## Item 9: Disciplinary Information

### Criminal or Civil Actions

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

## Administrative Enforcement Proceedings

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

## Self-Regulatory Organization Enforcement Proceedings

Flow 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 Flow or the integrity of its management.

## Item 10: Other Financial Industry Activities and Affiliations

No Flow employee is registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No Flow employee is registered, or have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

Flow does not have any related parties. As a result, we do not have a relationship with any related parties.

Flow only receives compensation directly from clients. We do not receive compensation from any outside source. We do not have any conflicts of interest with any outside party.

## Recommendations or Selections of Other Investment Advisers

Flow does not recommend clients to Outside Managers to manage their accounts. Clients may choose to use an Outside Manager to implement Flow's recommendations.

# 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. Additionally, Flow requires adherence to its Insider Trading Policy (contained in the Code of Ethics).

## Code of Ethics Description

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.

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

## Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

Neither our firm, its associates or any related person is authorized to recommend to a client, or effect a transaction for a client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

## Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

Our firm and its “related persons” may buy or sell securities similar to, or different from, those we recommend to clients for their accounts. In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates’ transactions in specific reportable securities transactions. Any exceptions or trading pre-clearance must be approved by the firm principal in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

## Trading Securities At/Around the Same Time as Client’s Securities

From time to time, our firm or its “related persons” may buy or sell securities for themselves at or around the same time as clients. We will not trade non-fund securities (mutual funds or exchange-traded funds) within 5 days prior to the same security for clients.

## Item 12: Brokerage Practices

### Factors Used to Select Custodians and/or Broker-Dealers

Specific custodian recommendations are made to clients based on their need for such

services. We recommend custodians based on the reputation and services provided by the firm. Our primary recommended custodian is TD Ameritrade Institutional, Division of TD Ameritrade, Inc., member FINRA/SIPC, an unaffiliated SEC-registered broker-dealer (“TD Ameritrade”).

Flow participates in the institutional program (the “Program”) offered by TD Ameritrade Institutional. TD Ameritrade offers to independent investment firms services which include custody of securities, trade execution, clearance and settlement of transactions. Flow receives some benefits from TD Ameritrade through its participation in the Program.

## 1. Research and Other Soft-Dollar Benefits

As disclosed above, Flow participates in TD Ameritrade’s institutional customer program and may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between Flow’s participation in the program and the investment advice it gives to its clients, although Flow receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. Such non-cash benefits are referred to as “soft dollars”.

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 Flow 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 Flow by third party vendors.

TD Ameritrade may also have paid for business consulting and professional services received by Flow’s related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Flow but may not benefit its client accounts. These products or services may assist Flow in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Flow manage and further develop its business enterprise.

The benefits received by Flow 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, Flow endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Flow or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Flow’s choice of TD Ameritrade for custody and

brokerage services.

Flow's membership in the XY Planning Network means it is eligible for TD Ameritrade's custodian service regardless of assets under management, with no platform fees.

## 2. Brokerage for Client Referrals

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

## 3. Clients Directing Which Broker/Dealer/Custodian to Use

We recommend a specific custodian for clients to use. Our preferred recommended custodian is TD Ameritrade. As a result, we rely on the best execution practices of the custodian to achieve most favorable execution of client transactions. However, the custodian's inability to achieve the most favorable execution on a per transaction basis may cost clients money over using a lower-cost custodian.

## Aggregating (Block) Trading for Multiple Client Accounts

In general, we do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (the practice of combining multiple orders for shares of the same securities is commonly referred to as "block trading"). Accordingly, clients may pay different prices for the same securities transactions than other clients pay. Furthermore, we may not be able to buy and sell the same quantities of securities for you and clients may pay higher commissions, fees, and/or transaction costs than other clients.

## Item 13: Review of Accounts

Margaret Helen Bartelt, President and CCO of Flow, 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. Flow does not provide specific reports to clients, other than financial plans.

Client accounts with the Annual Advisory Services and with accounts at Flow's recommended custodian will be reviewed regularly on no less than an annual basis by Margaret Helen Bartelt, President and CCO. Accounts under advisement will be reviewed annually. 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.

Flow will provide written or electronic reports to its Annual Advisory Services clients on an annual basis. We urge clients to compare these reports against the account statements they receive from their custodian.

## Item 14: Client Referrals and Other Compensation

We do 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, Advisor participates in TD Ameritrade's institutional customer program and Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Advisor's participation in the program and the investment advice it gives to its Clients, although Advisor 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 Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Advisor but may not benefit its Client accounts. These products or services may assist Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor or its personnel through participation in the program do not depend on the number of brokerage transactions directed to TD Ameritrade. As part of its fiduciary

duties to Clients, Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor 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

Flow does not maintain custody of any client accounts. All accounts are held by an independent custodian. Flow has the ability to directly deduct fees from Client's custodial account. When doing so:

1. Flow sends a copy of its invoice to the custodian or trustee at the same time that it sends a copy to the Client
2. The custodian sends quarterly statements to the client showing all disbursements for the custodian account, including the amount of advisory fees, and
3. The Client provides written authorization permitting the investment advisor to be paid directly from their accounts held by the custodian or trustee.

Client will receive at least quarterly statements from the broker-dealer, bank, or other qualified custodian that holds and maintains Client's investment assets. Flow urges all Clients to review carefully such statements and compare such official custodial records to any statements that we may provide to you. Flow may also provide Client(s) will periodic reports on your accounts. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## Item 16: Investment Discretion

Flow offers discretionary investment management over Annual Advisory 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 our firm discretion over the account. Additionally, the discretionary relationship will be outlined in the client agreement and signed by the client.

## Item 17: Voting Client Securities

We do not vote Client proxies. Therefore, Clients maintain exclusive responsibility

for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

## Item 18: Financial Information

Registered Investment Advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and we have not been the subject of a bankruptcy proceeding.

## Item 19: Requirements for State-Registered Advisers

**Margaret Helen Bartelt (CRD# 6619860)**

Born: 1976

### Educational Background

2011 – Master of Science in Financial Planning, Golden Gate University

1998 – Bachelor of Arts in Economics, Wellesley College

### Business Experience

02/2016 – Present, Flow Financial Planning, LLC, President and CCO

10/2013 – 12/2016 Self-Employed, Contract Financial Planner

07/2012 – 08/2013 Tull Financial Group, Inc., Associate Advisor

01/2010 – 06/2012, LiveOak LLC, Paraplanner

## Professional Designations, Licensing & Exams

Certified Financial Planner™ professional

Series 65 Examination (This is not a License, or a Professional Designation)

## Other Business Activities

Margaret Helen Bartelt does not participate in any other business activities.

## Performance Based Fees

Flow is not compensated by performance-based fees.

## Material Disciplinary Disclosures

No management person at Flow Financial Planning, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## Material Relationships That Management Persons Have With Issuers of Securities

Flow Financial Planning, LLC, nor Margaret Helen Bartelt, have any relationship or arrangement with issuers of securities, in addition to what is described in Item 10.

## Additional Compensation

Margaret Helen Bartelt does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Flow.

## Supervision

Margaret Helen Bartelt, as President and Chief Compliance Officer of Flow, is responsible for supervision. She may be contacted at the phone number on this brochure supplement.

## Requirements for State Registered Advisers

Margaret Helen Bartelt has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.

# Business Continuity Plan

Flow Financial Planning, LLC has a written Business Continuity Plan (“BCP”), last revised August 3, 2018. The BCP attempts to prepare for business disruptions of

varying severity and scope. Although it is impossible to anticipate every scenario, the plan strives to enable Flow to resume doing business even after the occurrence of events that are most likely to affect business operations.

The firm's policy is to respond to a Significant Business Disruption by safeguarding employee lives and firm property, making a financial and operational assessment, quickly recovering and resuming operations, and protecting all of the firm's books and records. In the event that the company determines an inability to continue business, clients will be notified quickly. For those clients who pay in arrears, no refunds will be necessary. For those clients who pay in advance, they will be reimbursed, by check, a pro-rated amount for the days for which they did not receive service.