



## **Disclosure Brochure**

(Part 2A of Form ADV)

# **Alexander Financial Planning, Inc.**

**Fee-Only Financial Planning & Investment Management**

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This brochure provides information about the qualifications and business practices of Alexander Financial Planning, Inc. If you have any questions about the contents of this brochure, please contact us at: (614)538-1600, or by email at: [talexander@afp-advisors.com](mailto:talexander@afp-advisors.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

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

March 27, 2017

## Material Changes

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### **Annual Update**

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Disclosure Brochure.

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### **Material Changes since the Last Update**

The U.S. Securities and Exchange Commission issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative “plain English” format. The new final rule specifies mandatory sections and organization. As such we have revised our ADV Part 2 form to reflect this new rule.

2012 - We have changed the fee schedule for some of our services to reflect updates to our contracts for new clients.

2014 - We have better defined our services and how they are billed. We have added the option to have assets managed on a Discretionary basis. We have added the option to bring all of a client's investments under AFPI's management and changed the fee on these assets to our current fee structure, thereby simplifying our fee structure.

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### **Full Brochure Available**

Whenever you would like to receive a complete copy of our Disclosure Brochure, please contact us by telephone at (614)538-1600 or by email at [talAlexander@afp-advisors.com](mailto:talAlexander@afp-advisors.com).

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## Advisory Business

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### **Firm Description**

Alexander Financial Planning, Inc. (AFPI) was founded in 1997 by Thresa (Teri) Renee Roth Alexander. There are currently four employees including one Certified Financial Planner™ designee, one financial planner, one office manager, and an as needed administrative person. The firm is registered with the State of Ohio as a Registered Investment Adviser.

AFPI is an independent fee-only financial planning and investment management firm. We provide personalized financial planning, investment management and tax preparation to individuals, families and their related entities, trusts and estates, retirement plans, charitable organizations and small businesses. AFPI works with clients to define financial objectives and to develop strategies for reaching those objectives, some of which may include: identification of financial problems, cash flow and budget management, tax planning, insurance (risk exposure) review, asset allocation analysis, investment management, education funding, retirement planning, estate planning, charitable giving, special needs planning, business succession issues, fringe benefits and/or other issues specific to the client.

The firm's compensation is solely from fees paid by its clients. The firm does not receive commission based on the client's purchase or sale of any annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. No commissions in any form are accepted. No referral fees are paid or accepted. No benefits are received from custodians/broker-dealers based on client securities transactions ("soft dollar benefits").

A written evaluation of each client's initial situation is provided to the client, with the content defined by the scope of the engagement with the client. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. AFPI offers to assist the client with implementing the recommendations by working directly with the client and/or the client's other advisors. More frequent reviews might occur in the early stages of the client relationship, depending upon the client's circumstances and the scope of the engagement.

For investment management services, AFPI prepares and reviews a written investment policy statement with the client. If AFPI is involved with implementing the recommendations in the plan or providing ongoing investment management services, the client approves the recommendations in the plan, including the portfolio asset allocation and the initial specific investment selections. Assets under the direct management of AFPI are held by independent custodians, including TD Ameritrade, or others, in the client's name. AFPI does not act as a custodian of their client's assets. AFPI places trades for clients under a limited power of attorney and the client

always maintains asset control. The client receives periodic statements and trade confirmations directly from the custodian.

We may recommend other professionals (e.g., lawyers, accountants, trust officers, insurance agents, real estate agents, etc.) at the request of the client. Other professionals are engaged directly by the client on an as-needed basis even when recommended by the Advisor. Conflicts of interest will be disclosed to the client and managed in the best interest of the client.

Alexander Financial Planning, Inc. conducts an initial meeting free of charge and it is considered an exploratory interview to determine the extent to which financial planning and investment management may be beneficial to the client.

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### **Principal Owners**

Thresa Renee Roth Alexander is a 100% stockholder.

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### **Types of Advisory Services**

Alexander Financial Planning, Inc. provides financial planning, investment management, and tax preparation services. These services are offered on a retainer, a project, or a percent-of-assets under management (AUM) fee basis.

In performing its services, AFPI is not required to verify any information received from the client or from the client's other professionals. The client is under no obligation to act upon the recommendation by AFPI. Each client is advised that it remains his/her responsibility to promptly notify AFPI when there is any change in his/her financial situation and /or financial objectives for the purpose of reviewing, evaluating, or revising previous recommendations and/or services.

The following are typical arrangements offered to clients:

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### **Tailored Relationships**

At Alexander Financial Planning, Inc. advisory services are tailored to the individual needs of clients. Client goals and objectives are clarified in meetings and via correspondence, and are used to determine the course of action for each individual client. The goals and objectives for each client are documented in our client relationship management system, and in client files, either in hard copy or in electronic files.

Clients may impose restrictions on investing in certain securities or types of securities. This must be done in writing and be signed by the client and AFPI.

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### **Type of Agreements**

The following agreements define typical client relationships. Agreements may not be assigned without client consent.

A client can engage Alexander Financial Planning, Inc. to provide financial planning services and investment advisory services. In specific and limited situations,

Alexander Financial Planning may provide services on a project fee basis. Alexander Financial Planning is a Fee-Only firm and does not accept any other sources of revenue, such as commissions. All fees are negotiable.

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### **Financial Planning (Stand-Alone) Agreement**

Alexander Financial Planning may provide financial planning and/or consulting services to the extent specifically requested by a client on a stand-alone fee basis. This arrangement includes, but is not limited to, identification of financial problems, goal setting, family related issues that can impact the client's future financial security, cash flow and spending plan, identification of assets and liabilities (net worth), a review of insurance policies related to risk exposure, tax planning, investment education, a review of investment and retirement accounts, identification of current asset allocation, education planning with funding options, pension options, one or more retirement planning scenarios, charitable goals, small business planning issues, fringe benefits, special needs planning, elder care planning, estate planning review, or other issues specific to the client. The initial financial plan is created over a series of five to six meetings.

This agreement does not include on-going investment management. This is available under a separate agreement, The Investment Management (Stand-Alone) Agreement or under The Wealth Management Fixed Agreement after the first year of Financial Planning.

In the first year financial planning fees are generally based upon the client's net worth and on facts known at the start of the engagement. Other quantitative and qualitative factors are considered here as well. The quantitative factors used are household income, investment values and rental real estate values. The qualitative factors considered include sources of income, family and employment details, nature of the investment and accounts, overall complexity of the client's financial situation, and the ability of AFPI to make a positive impact on the client's financial future. The stated fee below may be adjusted up or down by 20% based on the qualitative factors.

It is difficult to pinpoint the fee of a new client in advance because of the influence of qualitative factors. A single person may have a more complex situation over a married couple with the same level of income and assets. A person with a relatively low income may have a more complicated situation than someone with a higher income due to family needs or the structure of their assets. A self-employed person may have greater needs and opportunities than an employed person with similar income and investment levels. That is why the fee schedule allows for a range of fees for a given income and investment combination.

In the event the client's situation is substantially different than disclosed at the initial meeting, a revised fee will be provided for mutual agreement. The client must approve the change of scope in advance of the additional work being performed when a fee increase is necessary.

## Fee Schedule for Financial Planning

<i>Total Net Worth</i>	<i>Financial Planning Fee</i>
Up to \$1,000,000	\$ 2,750
\$1,000,001 to \$1,500,000	\$ 3,000
\$1,500,001 to \$2,000,000	\$ 3,250
\$2,000,001 to \$2,500,000	\$ 3,500
\$2,500,001 to \$3,000,000	\$ 3,750
\$3,000,001 +	Negotiable

In the second year and thereafter, the client's net worth is recalculated (annually) and the financial planning fee is generally 80% of the financial planning fee paid in the first year of planning. If there is a large discrepancy between current net worth and initial net worth when the first plan was completed, adjustments to the on-going fee will be made. The amount is determined based on the complexity of the planning engagement and any changes to the net worth.

### Financial Planning Restart Premium

If a client elects to not continue financial planning services moving into a new year and then later restart financial planning services, their fee will be based on the current fee structure in place and the amount of time since a plan had been completed. If restart is greater than 12 months from the first year anniversary of the original plan, the restart fee is 100% of the current fee structure.

### Investment Management (Stand-Alone) Agreement

Alexander Financial Planning, Inc. will analyze, recommend, and monitor a client's investment portfolio based on the client's parameters for a percentage of assets under management on a discretionary basis. Assets in a client's account(s) are invested in a diversified portfolio of investments offered through an independent custodian/brokerage firm's investment platform. These investments may include: no-

load or load-waived mutual funds, exchange-traded funds (ETFs), closed-end no-load mutual funds, FDIC-insured certificates of deposit, money market funds, variable annuities, government, municipal and corporate fixed income securities, and individual equity securities.

In order to execute trades on-line, TD Ameritrade requires the client to authorize AFPI to have limited power of attorney (LPOA) on their account(s). Additionally, if a client has accounts held in an employer's retirement plan (401-K, 403-B, 457, etc.) or through another organization that they want AFPI to manage, AFPI requires the client to authorize AFPI to have limited power of attorney (LPOA) on their account(s).

Investments are billed based on a percentage of the investable assets according to the following schedule:

<i>Market Value of Portfolio</i>	<i>Percent of Assets</i>
Up to \$500,000	1.00%
\$500,001 to \$1,000,000	0.75%
\$1,000,001 +	0.50%

Funds held away that are fixed, such as annuities, are billed at a 0.35% of the value of the Asset Under Management. Investment Assets do not include home, personal property, or life insurance (except variable life).

### **Wealth Management (Variable or Flat) Retainer Agreement**

After the first year of planning, client's who are engaged in ongoing investment and financial planning advice are considered Wealth Management clients. At this point client's can elect a variable or flat fee arrangement. The same services are provided under either of these agreements. All financial plans need to be updated on an annual basis. Any changes moving from one year to the next need to be addressed related to the overall impact these changes can have on a client's financial situation. All items mentioned in financial planning above are reviewed in each contiguous year. This process typically takes two planning meetings.

The difference between the Variable Option and the Flat Option is simply based on how a client elects to pay for services moving forward.

**The Variable Retainer Option** bills financial planning on a flat fee and the investment assets under management are billed based on their changing value at the end of each quarter. At each annual review, the financial planning fee will be reviewed to determine if any change in this fee need to be made moving into the next year of planning. There are no new agreements that need to be signed if this option is elected. The original financial planning and investment management agreements cover this arrangement.

The Variable Retainer Option is more appropriate for clients who have not elected to have all their investments managed by AFPI. Additionally, some clients prefer that AFPI receives compensation based on the changes in market value of their assets under management by AFPI.

**The Flat Retainer Option** is a flat fee on financial planning and a flat fee on the investment assets under management. A new agreement does need to be signed if the client elects this fee structure.

The Flat Retainer Option may be more appropriate for clients who have chosen to have all their investment assets managed by AFPI. Clients under more of a fixed budget may prefer this option or clients who like knowing what the fee will be every quarter. AFPI is also providing this option for clients age 35 and up on a reduced sliding scale.

To assist with determining what a flat fee may be, the matrix below uses two quantitative factors. Income refers to all sources of income and investments pertain to all investments owned including rental real estate. The fee may be adjusted up or down by 20% based on qualitative factors. This matrix may be more appropriate for clients age 45 and up.

<b>Investments →</b> <b>Income ↓</b>	<b>Less Than</b> <b>\$500,000</b>	<b>\$500,000 –</b> <b>\$1,500,000</b>	<b>\$1,500,000 &amp;</b> <b>above</b>
<b>Less than</b> <b>\$125,000</b>	<b>\$3,000 to</b> <b>\$6,000</b>	<b>\$6,000 to</b> <b>\$10,000</b>	<b>\$10,000 &amp; up</b>
<b>\$125,000 –</b> <b>\$250,000</b>	<b>\$4,000 to</b> <b>\$7,500</b>	<b>\$7,500 to</b> <b>\$12,500</b>	<b>\$12,500 &amp; up</b>
<b>\$250,000 &amp;</b> <b>above</b>	<b>\$5,000 to</b> <b>\$10,000</b>	<b>\$10,000 to</b> <b>\$15,000</b>	<b>\$15,000 &amp; up</b>

It can be difficult to pinpoint a fee in advance when a client's situation may change. Qualitative factors can impact the fees matrix above. That is why the fee schedule allows for a range of fees for a given income and investment combination.

In the event the client's situation is substantially different than disclosed at the annual update meeting, a revised fee will be provided for mutual agreement. The client must

approve the change of scope in advance of the additional work being performed when a fee increase is necessary.

Both Retainer fee options, Variable or Flat, will be similar in cost overall. Under the Flat Fee Option of Wealth Management, the fee may be adjusted annually due to inflation which has impacted AFPI's expenses or because of material changes in the client's circumstances.

### **Other Advisory Services Agreement**

Alexander Financial Planning, Inc. provides project services for existing clients or for family members who need advice on a limited scope of work.

### **Tax Preparation Agreement**

Tax return preparation is a separate service and it is only provided to existing clients of AFPI.

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#### **Managed Assets**

As of December 31<sup>st</sup> 2016, Alexander Financial Planning, Inc. had approximately \$46,000,000 in assets under management, for about 300 accounts or around 100 client households. Effective January 1, 2015, all new assets are managed on a discretionary basis. Prior to this date, assets were managed in a non-discretionary manner. As of December 31<sup>st</sup> 2016, 82% of assets were managed on a discretionary basis and 18% of assets were managed on a non-discretionary basis.

## **Fees and Compensation**

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#### **How and When Clients Pay Fees**

There are several options that clients can choose from based on their financial situation. The fee may be deducted from an investment account or paid by check. Fees generally reflect the complexity of the work. Fees are negotiable. Fees for clients of Alexander Financial Planning, Inc. prior to October 2012 were established under different fee schedules.

#### **Financial Planning (Stand-Alone)**

Clients engaged in Financial Planning Services (stand-alone) are generally billed based upon the amount of time and complexity of the plan. This typically is based on the client's net worth. At the first planning meeting a payment of \$500 is due. A proportional share of the remaining fee is due at each of the next four to six scheduled meetings.

Every year thereafter when the plan is updated the fee is paid at the completion of the update.

### **Investment Management (Stand-Alone)**

Clients engaged in Investment Management Services (stand-alone) are billed quarterly, in advance. The fee is based on the market value of the client's assets value under management at the end of each quarter. Clients under this service are billed in the first month of each quarter.

### **Wealth Management**

**The Variable Retainer Option** - After the first year of planning, clients that elect this option pay one-fourth of the annual financial planning fee with their quarterly assets under management fee. This service is billed in the second month of each quarter.

**The Flat Retainer Option** - After the first year of planning, clients that elect this option pay one-fourth of the annual flat fee quarterly. This service is billed in the third month of each quarter.

### **Other Advisory Services**

Clients engaged in Other Advisory Services are billed as services are provided and payment is due once services have been rendered at the end of each month or as otherwise specified in an engagement letter.

### **Tax Preparation Services**

For tax preparation services, payment is due in full upon completion of the tax return(s) and when the invoice is presented.

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### **Fee Billing**

Clients may elect to pay fees directly by check or have fees deducted from their investment accounts. Both Alexander Financial Planning's Agreement and the custodian's account applications may authorize the custodian to debit the account for the amount of Alexander Financial Planning's fee and to directly remit the management fee to Alexander Financial Planning in compliance with regulatory procedures. If a client elects to have the fee debited out of their investment account, this is considered a form of custody. AFPI is required to send an invoice to the client and to the custodian at the same time. The invoice shows the amount of the fee, the value of the client's assets on which the fee was based, and the specific manner in which AFPI's fee is calculated. The custodian/brokerage firm agrees to send to the client a statement, at least quarterly, indicating all amounts distributed from the account including the amount of the advisory fee paid directly to AFPI. Fees may be prepaid at the election of the client or paid as services are provided. The investment management fee is not required to be prepaid three months or more in advance. AFPI does deduct fees in advance or at the beginning of each quarter for services to be rendered in that quarter. Fees are usually deducted from a designated client account to facilitate billing. If AFPI bills the client directly, payment is due upon receipt of invoice.

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**Other Fees**

The custodian/brokerage firm may charge a fee for the purchase or sale of certain other securities in the client's account(s). In some cases, custodians also charge monthly, quarterly or annual custodial fees. Fees for custody are disclosed to clients when this type of arrangement is recommended.

Fund companies charge each mutual fund shareholder an investment management fee that is disclosed in the fund prospectus and is a part of the fund's operating expense ratio. This expense ratio is deducted every day the fund is open. There are typically two ways in which a fund can participate in being a part of a discount brokerage's platform. One way is for the fund to pay the brokerage firm a percent of their expense ratio. For these funds, no additional transaction is charged to the client to buy or sell a fund. The second way is for a fund to charge a transaction fee to the client whenever a fund is purchased or sold. These expenses are in addition to the fees paid by clients to AFPI.

Please see the section entitled, "Brokerage Practices" on page 10 for more information.

AFPI does not receive any compensation, in any form, from fund companies or the independent custodian/brokerage firm for this purchase or sale activity. Initial public offerings (IPOs) are not available through AFPI.

Alexander Financial Planning, Inc. in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

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**Past Due Accounts and Termination of Agreement**

Alexander Financial Planning, Inc. reserves the right to stop work on any account that is more than 30 days overdue. In addition, AFPI reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate to providing proper financial advice, per AFPI's judgment. Clients may terminate their agreement at any time by providing written notice.

Terminating clients will receive an itemized bill based on work completed on a Financial Plan or hours completed under Other Advisory Services. Any unused portion of fees collected in advance will be refunded within 15 days of the end of the quarter billing cycle.

Although the Assets Under Management Service is an ongoing agreement and constant adjustments are required, the length of service to the client is at the client's discretion. The client or AFPI may terminate an Agreement by written notice to the other party. At termination, fees will be refunded on a pro-rated basis by the first or second half of the month in which the written notice is received to the end of that billing cycle.

## Performance-Based Fees

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### **Sharing of Capital Gains**

Alexander Financial Planning, Inc. does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

However, the nature of asset-based fees allows AFPI to participate in the growth of the client's wealth. This also means that our fees can decline when the client's portfolio declines in value.

## Types of Clients

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### **Description**

Alexander Financial Planning, Inc. generally provides investment advice to individuals, families, non-profits, trusts and estates. Advice may extend to entities related to the client such as small businesses and charitable organizations, including foundations, non-profit organizations and endowments. Client relationships vary in scope and length of service.

AFPI does not require a minimum account size, but does require a minimum annual fee of \$2,500 beginning in 2016 for new clients. This is negotiable.

## Methods of Analysis, Investment Strategies and Risk of Loss

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### **Methods of Analysis**

Security analysis is based on fundamental, technical, and cyclical analysis. The main sources of information include Morningstar reports, fund prospectuses, S&P reports, Argus reports, Thompson Reuters Stock Reports, financial newspapers and magazines, white papers and research materials prepared by others, filings with the Securities and Exchange Commission, bond rating services, annual reports, and company press releases. Employees of AFPI also attend on and off site visits with fund and portfolio managers, conference calls, and industry conferences.

### **Investment Strategies**

The primary investment strategy we use for client accounts is strategic asset allocation utilizing a tactical allocation approach when identifying core and satellite positions. We primarily use actively-managed no-load and load-waved mutual funds. We may use passively-managed index, exchange-traded funds (ETFs), individual stocks, and/or individual bonds where there are opportunities to make a difference by security selection and when it is appropriate for the client. Portfolios are globally diversified to control the risk associated with traditional markets.

The investment strategy for a specific client is based upon objectives, cash flow needs, risk tolerance, time horizon and tax situation stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement that documents their objectives and their desired investment strategy. Each client portfolio is constructed solely for that client.

AFPI's strategy is to maintain long-term positions. However, if the manager changes, the fund strays or changes their philosophy, or the position under performs relative to peer managers, a position will be sold. Additionally, tactical moves may require shorter holdings of a position given a unique situation. On rare occasions margin transactions can be employed if the client wants this positioning and it is appropriate for their situation.

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**Risk of Loss**

All investment programs have certain risks that are borne by the investor. Our investment approach keeps the risk of loss in mind. Type of losses include the following: loss of Principal Risk, Interest-rate Risk, Market Risk, loss of Purchasing Power or Inflation Risk, Currency Risk, Reinvestment Risk, Business Risk, Liquidity Risk, and Financial Risk.

## **Disciplinary Information**

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**Legal and Disciplinary**

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

## **Other Financial Industry Activities and Affiliations**

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**Financial Industry Activities**

Alexander Financial Planning, Inc., and its employees do not participate in any other industry business activities.

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**Affiliations**

Alexander Financial Planning, Inc. do not have arrangements that are material to its advisory business or its clients with any related person. We may at times recommend unrelated, third party investment managers who have a greater expertise in certain disciplines when appropriate for a client. We do not receive any compensation for the recommendation or selection of these investment advisors.

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

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### **Code of Ethics**

The employees of Alexander Financial Planning, Inc. have committed to a Code of Ethics and Fiduciary Oath as outlined by the National Association of Personal Financial Advisors (NAPFA). The key points are: putting the clients' interest first, objectivity, confidentiality, competence, fairness and suitability, integrity and honesty, regulatory compliance, full disclosure, and professionalism. CFP® designees are also held to a Code of Ethics as outlined by the CFP® Board of Standards. AFPI will provide a copy of the Code of Ethics to any client or prospective client upon request.

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### **Participation or Interest in Client Transactions**

Alexander Financial Planning, Inc. and its employees may at times buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees comply with the provisions of the Alexander Financial Planning, Inc. "Policy and Procedures Manual".

The Chief Compliance Officer of Alexander Financial Planning, Inc. is Teri R. Alexander. Teri reviews all employee trades each quarter. Her personal trades are reviewed by Office Manager, Tracey Guthrie. The personal trading reviews ensure that the personal trading of employees was not based on inside information and that the clients of the firm receive preferential treatment. The trades are not of a significant enough value to affect the securities markets.

## **Brokerage Practices**

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### **Selecting Brokerage Firms**

Alexander Financial Planning, Inc. does not have any affiliation with product sales firms. Specific custodian recommendations are made to clients based on their need for such services. AFPI recommends custodians based on the proven integrity and financial responsibility of the firm, best execution of orders at reasonable commission rates, and the quality of the client service.

AFPI recommends discount brokerage firms and trust companies (qualified custodians), such as TD Ameritrade. AFPI does not receive fees or commissions from any of these arrangements, although AFPI may benefit from electronic delivery of client information, electronic trading platforms and other services provided by a custodian for the benefit of clients. AFPI may also benefit from other services provided by a custodian, such as research, continuing education, discounts on software or other affinity programs, and practice management advice. These benefits are standard in a relationship with these custodians and are not in return for client recommendations or transactions.

Alexander Financial Planning, Inc. reviews the execution of trades at each custodian annually. The review is documented in the Alexander Financial Planning, Inc. "Policy and Procedures Manual". Trading fees charged by the custodians are also reviewed on an annual basis. AFPI does not receive any portion of the trading fees.

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### **Soft Dollars**

Alexander Financial Planning, Inc. has occasionally received soft dollar benefits through attending meetings, meals, or other social events of money managers and other service providers in our industry. These events provide an update on the organizations' performance, philosophy, economy, educational related material, etc. Some of these organizations have been recommended to clients and this could be viewed as a conflict. However, our internal screening approach to selecting appropriate investments or other services provides the counter balance to this issue.

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### **Directed Brokerage**

Alexander Financial Planning, Inc. does not direct brokerage for specific client transactions except individual bonds, for which we select the broker-dealer with the best pricing on each individual trade.

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## **Review of Accounts**

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### **Periodic Reviews**

Comprehensive Financial Planning clients are provided with a quarterly "To Do" List and they may call or meet as needed to work through the list of items they are choosing to implement. Clients are given the option to return annually at their expense for an update of their financial plan.

Other Advisory Services are done on an as needed basis and at the discretion of the client.

Investment Advisory Service clients have their account(s) reviewed quarterly or when the market dictates. The frequency of client reviews is individually negotiated with each client. AFPI requests an annual review with the clients to review their Investment Policy Statement, any tactical asset allocation changes, rebalancing and performance review.

Account reviews are performed by Teri Alexander and the current total of households is approximately 100.

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### **Review Triggers**

Account reviews can be done more frequently when market conditions dictate, or when a client's investment objective changes. A review may be triggered by a client request, changes in the tax laws, new information about an investment, change in a client's own situation or other important information.

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**Regular Reports**

For Comprehensive Financial Planning clients and Other Advisory Services clients, Alexander Financial Planning, Inc. provides statements and a written analysis at the conclusion of each engagement.

AFPI provides Investment Advisory Service clients written quarterly reports for each client's total investment portfolio. The report consists of a quarterly market comment summarizing our thoughts on the economy, portfolio graphs, a statement of holdings from our portfolio accounting software. Annual reporting also includes tax-related information for the previous year's activities.

## **Client Referrals and Other Compensation**

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**Incoming Referrals**

Alexander Financial Planning, Inc. has been fortunate to receive many client referrals over the years. The referrals have come from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other sources. The firm does not pay for referrals.

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**Referrals to Other Professionals**

Alexander Financial Planning, Inc. does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

## **Custody**

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**Account Statements**

All assets are held at qualified custodians, who provide account statements directly to clients at their address of record at least quarterly. Clients are encouraged to carefully review the statements provided by their custodians. Alexander Financial Planning, Inc. has custody limited to deduction of fees from client accounts.

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**Statements Provided by Alexander Financial Planning, Inc.**

Clients are at times provided account statements, net worth statements (personal balance sheets), and net worth graphs that are generated from our financial planning or portfolio accounting software. Net worth statements contain approximations of bank account balances provided by the client, as well as the value of land, real estate, limited partnerships, outside businesses, and other hard-to-price assets. The net worth statements are used for long-term financial planning where the exact values of assets are not material to the financial planning tasks. The book values of hard to price assets are reviewed whenever supplemental information relating to valuation is received. Otherwise, these assets are priced at client cost. Clients are urged to compare the statements they receive from us to those they receive from their qualified custodians.

## Investment Discretion

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### **Discretionary Authority for Trading**

Beginning January 1st 2015 Alexander Financial Planning, Inc. has discretionary authority to manage securities accounts on behalf of clients who have elected this option. Prior to this date, existing clients who prefer to have discretionary accounts will need to sign new agreements electing this change. AFPI does determine the securities to be bought or sold, and the amount of the securities to be bought or sold. For those clients under the non-discretionary agreement, AFPI will consult with the client in the manner in which the client has requested to be consulted. Letters of Instructions listing all transactions will only be sent to the non-discretionary client if requested. A signed copy is a part of the client's historical records.

The client approves the custodian to be used and any transaction or commission fees to be paid in order to facilitate the trade to the custodian. AFPI does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

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### **Limited Power of Attorney**

Clients must sign a limited power of attorney before Alexander Financial Planning is given the authority to make electronic trades in a client's account or to have fees deducted from a client's account. AFPI can only deduct to the extent of the quarterly fee charged and cannot withdraw funds for any other purpose or obtain loans from the client's accounts. A limited power of attorney is included in the qualified custodian's new account application and a separate Limited Power of Attorney form is used for other plan accounts.

## Voting Client Securities

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### **Proxy Votes**

Alexander Financial Planning, Inc. does not vote proxies on securities. Clients are expected to vote their own proxies.

When assistance on voting proxies is requested, AFPI will provide recommendations to the client. If a conflict of interest exists, it will be disclosed to the Client.

## Financial Information

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### **Financial Condition**

Alexander Financial Planning, Inc. does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients. A balance sheet is not required to be provided because AFPI does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$600 per client, and six months or more in advance.

## **Business Continuity Plan**

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### **General**

Alexander Financial Planning, Inc. has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

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### **Disasters**

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, fire and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

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### **Alternate Offices**

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

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### **Loss of Key Personnel**

Alexander Financial Planning, Inc. has signed a Business Continuation Agreement with another financial advisory firm in Columbus, OH to support AFPI in the event of President Teri Alexander's serious disability or death.

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## **Information Security Program**

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### **Information Security**

Alexander Financial Planning, Inc. maintains an information security program to reduce the risk that your personal and confidential information may be breached.

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### **Privacy Notice**

Alexander Financial Planning, Inc. is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us. The categories of nonpublic information that we collect from our clients may include information about personal finances, information about health to the extent that it is needed for the financial planning process, information about transactions between clients and third parties, and information from consumer reporting agencies, e.g., credit reports. We use this information to help our clients meet their personal financial goals.

With our client's permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom they have established a relationship.

Clients may opt out from sharing information with these nonaffiliated third parties by notifying AFPI at any time by telephone, mail, fax, email, or in person. With client's permission, we share a limited amount of information with a brokerage firm in order to execute securities transactions on their behalf.

We maintain a secure office to ensure that our clients' information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques, daily back, and authentication procedures in our computer environment.

We do not provide our client's personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and our clients' personal records as permitted by law.

Personally identifiable information will be maintained while you are a client of Alexander Financial Planning, Inc. and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify our clients in advance if our privacy policy is expected to change. We are required by law to offer to deliver this *Privacy Notice* to our clients annually, in writing.

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### **Document Retention**

Alexander Financial Planning, Inc. will maintain all client documentation for the required period that records are required to be maintained by federal and state authorities. After that time, information may be destroyed.

# **Disclosure Brochure**

(Part 2B of Form ADV)

## **Alexander Financial Planning, Inc.**

**Fee-Only Financial Planning & Investment Management**

1621 W. First Ave.  
Grandview Hts., OH 43212

P (614)538-1600

F (614) 824-4865

[www.alexanderfinancialplanning.com](http://www.alexanderfinancialplanning.com)

[talexander@afp-advisors.com](mailto:talexander@afp-advisors.com)

This brochure provides information about the qualifications and business practices of Alexander Financial Planning, Inc. If you have any questions about the contents of this brochure, please contact us at: (614)538-1600, or by email at: [talexander@afp-advisors.com](mailto:talexander@afp-advisors.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

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

March 27, 2017

Alexander Financial Planning, Inc.

## Brochure Supplement (Part 2B of Form ADV)

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### Education and Business Standards

Alexander Financial Planning, Inc. requires that any employee whose function involves determining or giving financial planning and investment advice to clients must have earned a bachelor's degree from a four year college and must:

1. Have at least three years experience and demonstrating knowledge in insurance, investments, accounting, estate planning or financial planning;
2. Hold or be pursuing one of the following designations: Certified Financial Planner™ (CFP®), Certified Public Accountant (CPA), Certified Financial Analyst (CFA), or Chartered Financial Consultant (ChFC®);
3. Subscribe to the Code of Ethics of the National Association of Personal Financial Advisors (NAPFA) and the CFP® Board of Standards;
4. Be properly licensed for all advisory activities in which they are engaged.

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### Professional Certifications

Employees have earned certifications and credentials that are required to be explained in further detail.

Certified Financial Planner (CFP®): Certified Financial Planners are licensed by the CFP Board to use the CFP mark. CFP certification requirements:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP Board ([www.cfp.net](http://www.cfp.net)).
- Successful completion of the 10-hour CFP® Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.

Certified Retirement Counselor (CRC): Certified Retirement Counselors are regulated by the International Foundation for Retirement Education. CRC requirements are:

- Completion of the retirement counselor's education requirements set by IFRE ([www.IFRE.org](http://www.IFRE.org))
- Successful completion of the 4-hour CRC Certification Exam.
- Ongoing continuing education of 15 hours annually.

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**Thresa Renee Roth Alexander, CFP®, MSFP.**

Date of birth: 11/4/1958

**Educational Background:**

- Bowling Green State University (B.S. Education & Psychology 1980)
- The Ohio State University 1980-1981
- Franklin University 1981-1982
- College for Financial Planning (CFP® curriculum 1993)
- College for Financial Planning (M.S. in Financial Planning 2009)

**Business Experience:**

- Alexander Financial Planning, Inc. (1997 – Present)
- Financial Asset Management (1994 – 1997)
- Asset Planning, Management & Research (1990 – 1994)
- R. Meeder & Associates (1985 – 1990)
- Merrill Lynch (1981 – 1985)
- Columbus Public Schools (1980 – 1981)

**Disciplinary Information:** None

**Other Professional Activities:** Member of National Financial Planners Association (NAPFA), Member of Financial Planning Association (FPA), Member of the Worthington Estate Planning Council, Member of the Professional Advisors Group for The Catholic Foundation.

**Additional Compensation:** None

**Supervision:** Teri R. Alexander is the president, Chief Compliance Officer, and owner of Alexander Financial Planning, Inc. She is primarily supervised by herself, but does have Tracey Guthrie, Office Manager, oversee some key tasks as a double check. She does this through frequent office interactions as well as remote interactions. She also reviews Teri's activities through AFPI's client relationship management system.

Robert Franz is a financial planner with Alexander Financial Planning, Inc. and working part-time. He is in process of obtaining his Certification to be a Certified Financial Planner. He is supervised by Teri R. Alexander, President. She reviews Bob's work through frequent office interaction, work completed and through AFPI's client relationship management system.

**Teri Alexander's** contact information: (614)538-1600  
and her e-mail address is [talexander@afp-advisors.com](mailto:talexander@afp-advisors.com)

**Tracey Guthrie's** contact information: (614)538-1600  
and her e-mail address is [tguthrie@afp-advisors.com](mailto:tguthrie@afp-advisors.com).

**Robert Franz's** contact information: (614)538-1600  
and his e-mail address is [bfranz@afp-advisors.com](mailto:bfranz@afp-advisors.com)

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None