

## Item 1: Cover Page



### Plan to Prosper Financial Strategies, LLC

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Del Mar, CA 92014

#### **Form ADV Part 2A – Firm Brochure**

(858) 284-0314

Dated February 9, 2017

This Brochure provides information about the qualifications and business practices of Plan to Prosper Financial Strategies, LLC, “Plan to Prosper”. If you have any questions about the contents of this Brochure, please contact us at (858) 284-0314. 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.

Plan to Prosper Financial Strategies, LLC is registered as an Investment Adviser with the State of CA. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about Plan to Prosper 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 286536.

## Item 2: Material Changes

Since this is the first filing of the Form ADV Part 2A for Plan to Prosper, there is nothing to report. In the future, any material changes during the year made will be reported here.

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 Plan to Prosper.

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 286536.

You may also request a copy of this Disclosure Brochure at any time, by contacting us at (858) 284-0314.

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# Item 4: Advisory Business

## Description of Advisory Firm

Plan to Prosper Financial Strategies, LLC is registered as an Investment Adviser with the State of CA. We were founded in December 2016. Rosemary Linden is the principal owner of Plan to Prosper. Because Plan to Prosper is a new entity, it currently reports no discretionary or non-discretionary Assets Under Management.

Plan to Prosper provides fee-only, as-needed, and subscription-based financial planning and investment advisory services to individuals, families, and small businesses. These services may be general in nature or focused on particular areas of interest and need, depending upon each client's unique circumstances.

## Types of Advisory Services

### Financial Planning and Consulting Services

Plan to Prosper offers financial planning services that typically involve providing a variety of advisory services to clients regarding the management of their financial resources based on an analysis of their individual needs. These services can range from consultative or single subject planning to broad, ongoing comprehensive financial planning. We will first meet with the client to gather information about his or her financial goals and objectives. We will then review and analyze the information provided, and will deliver a written plan designed to help the client achieve his or her stated financial goals and objectives.

Financial planning is a comprehensive evaluation of a 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 who purchase this service will receive a written or an electronic report which provides the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern. The client and advisor will work together to select the specific areas to cover. These areas may include, but are not limited to, the following:

- **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.
- **Cash Flow and Debt 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 debts to pay off first based on factors such as the interest rate of the debt 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 Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).
- **Employee Benefits Optimization:** 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.
- **Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

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 of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **Investment Analysis:** This may involve developing an asset allocation strategy to meet clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.
- **Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, 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.

Specific financial planning service options include:

- **Hourly consulting services**
- **Standalone comprehensive financial plan design**
- **Strategy Sessions** designed to address one or two well-defined planning topics. This planning option includes the following services:
  - Initial meetings with planner to define goals
  - Advice on one or two specific planning topics
  - Delivery of a follow-up action plan
  - Unlimited questions and access to the planner (relevant to the planning topics addressed in the action plan) for a one-month period following delivery of the action plan.
- **“Cash Flow Coach” program** designed for clients who don’t require comprehensive financial planning but are ready to build a solid financial foundation. This program focuses exclusively on goal setting, budgeting, and cash flow management and includes the following services:
  - Initial meetings with the planner to define goals and create a budget
  - Annual updates to the budget
  - Continuous access to a personalized client portal
  - Ongoing check-in meetings with the planner throughout the year to analyze the client’s actual spending and savings habits and provide recommendations for meeting cash flow needs and goals
  - Unlimited questions/access to planner through e-mail (relevant to the planning subjects covered)
- **“Personal CFO” program** designed for clients who prefer bundled comprehensive financial planning and investment advisory services. This planning option includes the following:
  - Initial meetings with planner to define goals and objectives for the financial plan
  - Development and delivery of a comprehensive financial plan including action items to achieve objectives

- Continuous access to a personalized client portal
- Ongoing advice and recommendations for all financial planning and investment advisory topics relevant to the client's situation
- Ongoing check-in meetings throughout the year
- Unlimited questions and access to the planner through e-mail

## **Investment Advisory Services**

We offer investment advisory services through use of third-party money managers ("Outside Managers") for portfolio management services. We assist clients in determining their risk tolerance, selecting an appropriate allocation model, completing the Outside Manager's investor profile questionnaire, interacting with the Outside Manager and reviewing the Outside Manager. Our review process and analysis of outside managers is further discussed in Item 8 of this Form ADV Part 2A. Additionally, we will meet with the client on a periodic basis to discuss changes in their personal or financial situation, suitability, and any new or revised restrictions to be applied to the account. Clients may impose reasonable restrictions on investing in certain securities, or types of securities, however, these restrictions may be limited based on the investment strategy of the Outside Managers we use. Any requested restrictions will be addressed prior to entering into an agreement. Fees pertaining to this service are outlined in Item 5 of this brochure.

## **Small Business Consulting Services**

Plan to Prosper provides consulting services to small business who require part-time financial support. These services may include guidance on setting up a small business, management reporting and analysis, annual budgeting, quarterly forecasting, and special projects.

## **Educational Seminars and Speaking Engagements**

We may provide seminars on an "as announced" basis for groups seeking general advice on investments and other areas of personal finance. The content of these seminars will vary depending upon the needs of the attendees. These seminars are purely educational in nature and do not involve the sale of any investment products. Information presented will not be based on any individual's person's need, nor does Plan to Prosper provide individualized investment advice to attendees during these seminars.

## **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 which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

## **Wrap Fee Programs**

We do not participate in wrap fee programs.

## **CCR Section 260.235.2 Disclosure**

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

## Item 5: Fees and Compensation

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

Plan to Prosper provides fee-only, as-needed, and subscription-based financial planning and investment advisory services to individuals, families, and small businesses.

### Hourly Fees

Our hourly fee for personal financial planning and small business consulting ranges from \$100 to \$250 per hour depending on the scope and complexity of the engagement. Hourly fees are billed in fifteen minute increments. Generally the fee is due upon completion of services rendered. However, for engagements in which the estimated fee will exceed \$1,000, half of the estimated fee ("deposit") is due at the beginning of the process and the remainder is due upon completion. Plan to Prosper will not bill an amount above \$500 more than six months in advance.

Plan to Prosper will provide the client with an estimate of the overall cost prior to entering into an agreement with the client.

### Fixed Fees

For clients requiring financial planning services, we typically charge an initial fixed fee, which generally ranges from \$250 to \$3,000. This fee depends on the scope and complexity of the services rendered and is paid at the beginning of the engagement. There is an additional ongoing monthly fee for enrollment in the Cash Flow Coach for Personal CFO programs.

The fee for a **strategy session** that covers one or two well-defined planning topics are generally at the lower end of the fee range and will not exceed \$750.

The fee for a **comprehensive financial plan** generally begins at \$1,000 and extends to the upper end of the fee range.

The ongoing fee for the **Cash Flow Coach** program ranges from \$50 to \$100 monthly, depending on complexity and individual client needs.

The ongoing fee for the **Personal CFO program** is calculated by assessing the market value of the client's total investment portfolio. The client's fee will be evaluated on an annual basis. No increase in the annual fee will be effective until the client signs a new advisory agreement or an amendment to his or her existing advisory agreement.

The fees for ongoing comprehensive financial planning and investment management are defined in the following table. There is a minimum monthly fee of \$150 for this service.



Total Investment Portfolio Value	Flat Fee
\$0 to \$125,000	\$150 monthly
\$125,001 to \$250,000	\$200 monthly
\$250,001 to \$500,000	\$300 monthly
\$500,001 to \$750,000	\$400 monthly
\$750,001 to \$1,000,000	\$500 monthly
\$1,000,001 to \$2,000,000	\$600 monthly
\$2,000,001 to \$3,000,000	\$700 monthly
\$3,000,001 to \$4,000,000	\$800 monthly
\$4,000,001 to \$5,000,000	\$900 monthly
Over \$5,000,000	Negotiable

## Investment Advisory Services

Investment advisory services include determination of risk tolerance, appropriate asset allocation, ongoing investment coaching, and other services which we describe to you in our engagement with our firm. For clients seeking investment advisory services without the benefit of comprehensive financial planning or enrollment in the Personal CFO program, Plan to Prosper charges a flat fee based on the market value of the client's total investment portfolio.

The fees for investment advisory services are defined in the following table. These fees do not include the Outside Manager's fees. The Outside manager may deduct their fee from the client's account in arrears on a quarterly basis. The Outside manager's fee will be explained in detail at the beginning of the engagement. These fees may be negotiable in certain circumstances, particularly when the value of the client's investment portfolio is at the lower end of the range in each tier.

Total Investment Portfolio Value	Fee
\$0 to \$125,000	\$100 monthly
\$125,001 to \$250,000	\$150 monthly
\$250,001 to \$500,000	\$200 monthly
\$500,001 to \$750,000	\$300 monthly
\$750,001 to \$1,000,000	\$400 monthly
\$1,000,001 to \$2,000,000	\$500 monthly
\$2,000,001 to \$3,000,000	\$600 monthly
\$3,000,001 to \$4,000,000	\$700 monthly
\$4,000,001 to \$5,000,000	\$800 monthly
Over \$5,000,000	Negotiable

Total investment advisory fees for advisory services charged by the firm and the Outside Manager will not exceed a total of 3% of assets under management.

Hourly and fixed fees for financial planning, investment advisory, and small business consulting services are paid in advance and are negotiable in some cases. However, Plan to Prosper will not bill an amount above \$500 more than six months in advance. As an alternative to paying an initial fee immediately, the client may choose a monthly or quarterly payment option to spread the fee over a one-year period. In this case, if the client chooses to terminate ongoing monthly service before he or she has paid the initial fee in full, the balance of the initial fee will become due immediately.

The client may choose to pay by direct debit from his or her bank account, or by check, debit or credit card. Services that

are initiated or terminated during mid-month will be charged a prorated fee based on the amount of time remaining in the billing period.

The client may terminate any service for any reason with 30 days' notice. Client accounts initiated or terminated will be charged a prorated fee based on the amount of time remaining in the billing period. Upon termination of any account, any fees paid in advance will be prorated and any unearned fee will be refunded to the client. This refund will be issued via a check made payable to the client, from the account of Plan to Prosper.

## **Educational Seminars**

Seminars are offered to organizations and the public on a variety of financial topics. Fees range from free to \$5,000 per seminar. The fee range is based on the content, amount of research conducted, number of hours of preparation needed, and the number of attendees. For all engagements, 50% of the fee is due before the event and the remaining balance is due at the conclusion of the event. In the event of inclement weather or a flight cancellation, the Speaker shall make all reasonable attempts to make alternative travel arrangements to arrive in time for the presentation. If travel proves impossible, or the event is otherwise cancelled, the Speaker's fee is waived, but the Client will still be responsible for reimbursement of any non-refundable travel expenses already incurred.

In the event that the Client decides to cancel or change the date of the event for any reason other than weather or similar unforeseen causes, the Client will still be responsible for reimbursement of any non-refundable travel expenses already incurred, and will provide payment for 50% of the Speaker's fee if the cancellation occurs within 30 days of the event. In the event that the Speaker must cancel due to health or similar unforeseen circumstances, the Speaker will make all attempts to find a reasonable alternative engagement date and will absorb any incremental additional costs for obtaining alternative travel arrangements. If an alternative date cannot be obtained, the Client will not be responsible for any travel costs already incurred by the Speaker or any portion of the Speaker's fee.

## **Speaking Engagements**

Rosemary Linden is a public speaker. Generally, fees for her speaking engagements range from free to \$5,000 plus travel expenses, depending on sponsor, date, location, and program requested. The fee range is based on the content, amount of research conducted, number of hours of preparation needed, and the number of attendees. The content is based on topics that are currently relevant in the financial planning environment. For all speeches, 50% of the fee is due before the event and the remaining balance is due at the conclusion of the event.

In the event of inclement weather or a flight cancellation, the Speaker shall make all reasonable attempts to make alternative travel arrangements to arrive in time for the presentation. If travel proves impossible, or the event is otherwise cancelled, the Speaker's fee is waived, but the Client will still be responsible for reimbursement of any non-refundable travel expenses already incurred. In the event that the Client decides to cancel or change the date of the event for any reason besides weather or similar unforeseen causes, the Client will still be responsible for reimbursement of any non-refundable travel expenses already incurred, and will provide payment for 50% of the Speaker's fee if the cancellation occurs within 30 days of the event. In the event that the Speaker must cancel due to health or similar unforeseen circumstances, the Speaker will make all attempts to find a reasonable alternative engagement date and will absorb any incremental additional costs for obtaining alternative travel arrangements. If an alternative date cannot be obtained, the Client will not be responsible for any travel costs already incurred by the Speaker or any portion of the Speaker's fee.

Educational Seminars and Speaking Engagements may be provided pro-bono at Plan to Prosper's discretion.

## **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 (e.g., 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.

## **CCR Section 260.238(j) Disclosure**

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

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

We do not offer performance-based fees.

## **Item 7: Types of Clients**

We provide financial planning and investment advisory services to individuals, high net-worth individuals, and corporations or other businesses.

We do not have a minimum account size requirement.

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

### **Passive Investment Management**

We primarily practice passive investment management. Passive investing involves building portfolios that are comprised of various distinct asset classes. The asset classes are weighted in a manner to achieve a desired relationship between correlation, risk and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically index mutual funds or exchange traded funds.

Passive investment management is characterized by low portfolio expenses (i.e. 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.

## Methods of Analysis

If the client requires active management as part of their financial plan, our primary methods of investment analysis are fundamental, technical, and cyclical.

**Fundamental analysis** involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience, and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Technical analysis** involves using chart patterns, momentum, volume, and relative strength in an effort to pick sectors that may outperform market indices. However, there is no assurance of accurate forecasts or that trends will develop in the markets we follow. In the past, there have been periods without discernible trends and similar periods will presumably occur in the future. Even where major trends develop, outside factors such as government intervention could potentially shorten them.

Furthermore, one limitation of technical analysis is that it requires price movement data, which can translate into price trends sufficient to dictate a market entry or exit decision. In a trendless or erratic market, a technical method may fail to identify trends requiring action. In addition, technical methods may overreact to minor price movements, establishing positions contrary to overall price trends, which may result in losses. Finally, a technical trading method may underperform other trading methods when fundamental factors dominate price moves within a given market.

**Cyclical analysis** is a type of technical analysis that involves evaluating recurring price patterns and trends based upon business cycles. Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

Plan to Prosper may refer clients to third-party investment advisers ("outside managers"). Our analysis of outside managers involve the examination of the experience, expertise, investment philosophies, and past performance of the outside managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks. A risk of investing with an outside manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in an outside manager's portfolio. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

## Material Risks Involved

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

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

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

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

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

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

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

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

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

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

## Risks Associated with Securities

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

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

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

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

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

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

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

**Exchange Traded Funds** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected.

**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 delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which client's invest.

## Item 9: Disciplinary Information

### Criminal or Civil Actions

Plan to Prosper and its management have not been involved in any criminal or civil action.

### Administrative Enforcement Proceedings

Plan to Prosper and its management have not been involved in administrative enforcement proceedings.

### Self-Regulatory Organization Enforcement Proceedings

Plan to Prosper 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 Plan to Prosper or the integrity of its management.

## Item 10: Other Financial Industry Activities and Affiliations

No Plan to Prosper employee is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

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

Plan to Prosper does not have any related parties. As a result, we do not have a relationship with any related parties.

Plan to Prosper 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

As referenced in Item 4 of this brochure, Plan to Prosper recommends clients to Outside Managers to manage their accounts. In the event that we recommend an Outside Manager, please note that we do not share in their advisory fee. Our fee is separate and in addition to their compensation (as noted in Item 5) and will be described to you prior to engagement. You are not obligated, contractually or otherwise, to use the services of any Outside Manager we recommend. Additionally, Plan to Prosper will only recommend an Outside Manager who is properly licensed or registered as an investment adviser.

### Disclosure of Material Conflicts

All material conflicts of interest under CCR Section 260.238(k) are disclosed regarding Plan to Prosper, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

## 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. Although Plan to Prosper adheres to the CFP® Board of Standards Inc. Code of Ethics and Professional Responsibility, Rosemary Linden does not yet hold the CFP® designation. Additionally, Plan to Prosper requires adherence to its Insider Trading Policy, and the CFA Institute's Asset Manager Code of Professional Conduct and Code of Ethics and Standards of Professional Conduct.

### 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 of 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-mutual fund securities 3 days prior to the same security for clients.

# **Item 12: Brokerage Practices**

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

Plan to Prosper Financial Strategies, LLC does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to client based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

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

We currently receive soft dollar benefits by nature of our relationship with MTG, LLC dba Betterment Securities ("Betterment Securities").

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

## The Custodian and Brokers We Use (Betterment)

Plan to Prosper does not maintain custody of your assets on which we advise. (see Item 15—Custody, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We recommend that our clients use MTG, LLC dba Betterment Securities (“Betterment Securities”), a registered broker-dealer and member of the SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Betterment Securities. Betterment Securities will hold your assets in a brokerage account and buy and sell securities when we and/or you instruct them to. While we recommend that you use Betterment Securities as custodian/broker, you will decide whether to do so and will open your account with Betterment Securities by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so. If you do not wish to place your assets with Betterment Securities, then we cannot manage your account on Betterment for Advisors (defined below).

### YOUR BROKERAGE AND CUSTODY COSTS

For our clients’ accounts that Betterment Securities maintains, Betterment Securities does not charge you separately for custody/brokerage services, but is compensated as part of the Betterment for Advisors (defined below) platform fee, which is charged for a suite of platform services, including custody, brokerage, and sub-advisory services provided by Betterment and access to the Betterment for Advisors platform. The platform fee is an asset-based fee charged as a percentage of assets in your Betterment account. Clients utilizing the Betterment for Advisors platform may pay a higher aggregate fee than if the investment management, brokerage and other platform services are purchased separately. Nonetheless, for those Clients participating in the Betterment for Advisors platform, we have determined that having Betterment Securities execute trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “How we select brokers/custodians”).

### SERVICES AVAILABLE TO US VIA BETTERMENT FOR ADVISORS

Betterment Securities serves as broker-dealer to Betterment for Advisors, an investment and advice platform serving independent investment advisory firms like us (“Betterment for Advisors”). Betterment for Advisors also makes available various support services which may not be available to Betterment’s retail customers. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Betterment for Advisors’ support services are generally available on an unsolicited basis (we don’t have to request them) and at no charge to us. Following is a more detailed description of Betterment for Advisors’ support services:

1. **SERVICES THAT BENEFIT YOU.** Betterment for Advisors includes access to a globally diversified, low-cost portfolio of ETFs, execution of securities transactions, and custody of client assets through Betterment Securities. In addition, a series of model portfolios created by third-party providers are also available on the platform. Betterment Securities’ services described in this paragraph generally benefit you and your account.
2. **SERVICES THAT MAY NOT DIRECTLY BENEFIT YOU.** Betterment for Advisors also makes available to us other products and services that benefit us, but may not directly benefit you or your account. These products and services assist us in managing and administering our clients’ accounts, such as software and technology that

may:

- a. Assist with back-office functions, recordkeeping, and client reporting of our clients' accounts.
  - b. Provide access to client account data (such as duplicate trade confirmations and account statements).
  - c. Provide pricing and other market data.
3. **SERVICES THAT GENERALLY BENEFIT ONLY US.** By using Betterment for Advisors, we may be offered other services intended to help us manage and further develop our business enterprise. These services include:
- a. Consulting (including through webinars) on technology and business needs.
  - b. Access to publications and conferences on practice management and business succession.

## **OUR INTEREST IN BETTERMENT SECURITIES' SERVICES**

The availability of these services from Betterment for Advisors benefits us because we do not have to produce or purchase them. In addition, we do not have to pay for Betterment Securities' services. We may have an incentive to recommend that you maintain your account with Betterment Securities, based on our interest in receiving Betterment for Advisors and Betterment Securities' services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Betterment Securities as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Betterment Securities' services (see "How we select brokers/custodians") and not Betterment for Advisors and Betterment Securities' services that benefit only us or that may not directly benefit you.

## **BETTERMENT FOR ADVISORS' TRADING POLICY**

When using the Betterment for Advisors platform, we and you are subject to the trading policies and procedures established by Betterment. These policies and procedures limit our ability to control, among other things, the timing of the execution of certain trades (including in response to withdrawals, deposits, or asset allocation changes) within your account. You should not expect that trading on Betterment is instant, and, accordingly, you should be aware that Betterment does not permit you or us to control the specific time during a day that securities are bought or sold in your account (i.e., to "time the market"). Betterment describes its trading policies in Betterment LLC's Form ADV Part 2A. As detailed in that document, Betterment generally trades on the same business day as it receives instructions from you or us. However, transactions will be subject to processing delays in certain circumstances. In particular, orders initiated on non-business days and after markets close generally will not transact until the next business day. Betterment also maintains a general approach of not placing securities orders during approximately the first thirty minutes after the opening of any market session. Betterment also generally stops placing orders arising from allocation changes in existing portfolios approximately thirty minutes before the close of any market session. Betterment continues placing orders associated with deposit and withdrawal requests until market close. Betterment maintains a general approach of not placing orders around the time of scheduled Federal Reserve interest rate announcements. Furthermore, Betterment may delay or manage trading in response to market instability. For further information, please consult Betterment LLC's Form ADV Part 2A.

## **Aggregating (Block) Trading for Multiple Client Accounts**

Outside Managers used by Plan to Prosper may block client trades at their discretion. Their specific practices are further discussed in their ADV Part 2A, Item 12.

## Item 13: Review of Accounts

Client accounts that include investment advisory services will be reviewed regularly on a quarterly basis by Rosemary Linden, Founder and CCO. 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.

Plan to Prosper will not provide written reports to investment advisory clients.

## 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. We do not receive any compensation from any third party money managers for the accounts placed with them.

We receive a non-economic benefit from Betterment for Advisors and Betterment Securities in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Betterment Securities. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12—Brokerage Practices). The availability to us of Betterment for Advisors' and Betterment Securities' products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

## Item 15: Custody

Plan to Prosper does not accept custody of client funds.

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

## Item 16: Investment Discretion

For those client accounts where we provide investment advisory services, we do not maintain discretion over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Since we do not maintain discretion over client accounts and securities, clients will need to provide written authorization each time the client authorizes the advisor to adjust the asset allocation.

## 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.

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

# Item 19: Requirements for State-Registered Advisers

## Rosemary Linden

Born: 1977

### Educational Background

- 2016 – MSBA, Financial and Tax Planning, San Diego State University
- 2014 – Executive Financial Planner graduate certificate, San Diego State University (Program fulfills Certified Financial Planner® education requirements)
- 1999 – BA, Economics and BA, French, The College of William & Mary

### Business Experience

- 01/2017 – Present, Plan to Prosper Financial Strategies, LLC, Founder and CCO
- 08/2014 – 10/2016, Alliant Insurance Services, Vice President, Financial Planning & Analysis
- 11/2009 – 07/2014, WD-40 Company, Director of Global Financial Planning & Analysis
- 07/2008 – 10/2009, Solera Holdings, Inc., Director of Financial Planning & Analysis
- 09/2006 – 06/2008, Quest Diagnostics, Senior Manager, Financial Planning & Analysis

### Professional Designations, Licensing & Exams

FINRA Series 65 - Uniform Investment Adviser Law Examination

### Other Business Activities

Rosemary Linden is not involved with outside business activities.

### Performance Based Fees

Plan to Prosper is not compensated by performance-based fees.

### Material Disciplinary Disclosures

No management person at Plan to Prosper Financial Strategies, 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

Plan to Prosper Financial Strategies, LLC, nor Rosemary Linden, have any relationship or arrangement with issuers of securities.

### Additional Compensation

Rosemary Linden does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Plan to Prosper.

## **Supervision**

Rosemary Linden, as Founder and Chief Compliance Officer of Plan to Prosper, is responsible for supervision. She may be contacted at the phone number on this brochure supplement.

## **Requirements for State Registered Advisers**

Rosemary Linden has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.

## **Conflicts of Interest**

Pursuant to California Code of Regulations Section 260.238 (k) any material conflicts of interest regarding the investment adviser, its representatives or any of its employees are disclosed to the client prior to entering into any Advisory or Financial Planning Agreement.

## **Business Continuity Plan**

Plan to Prosper Financial maintains a written Business Continuity Plan that identifies procedures related to an emergency or significant business disruptions, including death of the investment adviser or any of its representatives.