Item 1 – Cover Page

Premier Financial Planning, Inc.

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www.myplanner.cc

This brochure provides information about the qualifications and business practices of Premier Financial Planning, Inc. If you have any questions about the contents of this brochure, please contact us at (760) 751-2397 and/or patti@myplanner.cc. 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. Registration as an Investment Advisor does not imply a certain level of skill or training.

Additional information about Premier Financial Planning, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov. The firm's CRD# is 145897.

Item 2 – Material Changes

The purpose of this page is to inform you of any material changes since the last annual update to this brochure. If you are receiving this brochure for the first time, this section may not be relevant to you.

Premier Financial Planning, Inc. reviews and updates our brochure at least annually to make sure that it remains current. We have had the following material changes since the last annual update to this brochure, dated January 1, 2021:

Item 4: Change in ownership

Currently, our brochure may be requested by contacting Patricia C. Patterson, Chief Compliance Officer, at (760) 751-2397 or patti@myplanner.cc.

Additional information about Premier Financial Planning, Inc. is also available via the SEC's website www.adviserinfo.sec.gov. The SEC's website also provides information about any persons affiliated with Premier Financial Planning, Inc. who are registered, or are required to be registered, as investment adviser representatives of Premier Financial Planning, Inc.

Item 3 – Table of Contents

Item 4 – Advisory Business

About Premier Financial Planning, Inc.

Premier Financial Planning, Inc. (PFP) is a corporation formed in 2007 in the state of California. PFP was registered with the SEC from 2008 until 2012 and is now registered with the state of California. This change in registration was based on a rule change in 2012 that moved all investment advisers with less than $90 million under management from SEC to state registration.

The principal owner of the firm is James R. Patterson. The major decisions of a strategic and administrative nature for the firm are undertaken by Mr. Patterson.

This narrative brochure provides clients with information regarding PFP and the qualifications, business practices, and nature of advisory services that should be considered before becoming an advisory client of PFP. All material conflicts of interest under CCR Section 260.238 (k) have been disclosed regarding the investment adviser, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

Prior to engaging PFP to provide services, clients are generally required to enter into an agreement with PFP setting the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to PFP beginning services.

Financial Planning Services

PFP provides comprehensive services that include a broad range of financial planning and consulting services (including non-investment related matters). A financial plan may include a review of a client’s net worth (including assets and liabilities), objectives, risk tolerance, cash flow and expenses, income tax projection, review and analysis of fringe benefits, retirement forecast and probability analysis, educational funding analysis, estate planning analysis and risk management review (life, disability, casualty, liability and long-term care insurance), as well as a Plan of Action for implementing the plan’s recommendations. PFP’s approach to providing this service starts with gathering the client’s current financial and subjective information. PFP is then able to assist the client in determining the client’s goals and objectives, time horizon, and risk tolerance. PFP will analyze the information obtained to provide a comparison of where the client is today in relation to the attainment of the client’s stated goals. A comprehensive financial plan is prepared to discuss their individual situation, along with various alternatives for consideration. The plan will include information to educate the client about the implications of selecting a particular alternative. In all dealings, PFP will conduct itself with the utmost professionalism with due regard to the privacy and sensitivity of the client's information with which PFP have been entrusted. PFP will utilize open and honest communications with the clients at all times. PFP’s conduct will always be governed by the highest sense of responsibility and integrity.

Prior to engaging PFP to provide financial planning and/or consulting services, the client will generally be required to enter into a *Personal Financial Planning Services Contract* with PFP setting forth the terms and conditions of the engagement, describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to PFP commencing services. If requested by the client, PFP may recommend the services of other professionals for implementation purposes. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from PFP. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify PFP if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising PFP's previous recommendations and/or services.

Investment Advisory Services

PFP also provides investment advisory services. If desired, a client may engage PFP to design an investment portfolio and provide ongoing investment advisory services on a *fee-only* basis. PFP utilizes diversified portfolios that contain equity securities, fixed-income securities and a variety of cash management instruments. PFP will vary the recommended mix according to current investment conditions and customize the portfolio according to the individual client's risk tolerance, time horizon and specific goals.

For equity-based securities, PFP generally will include equity mutual funds, individual and core stocks in client portfolios with an emphasis on a long-term time horizon. PFP allocates equity portfolios between growth and value management styles, while maintaining a diversification between large-, mid- and small-capitalization stocks that is appropriate for each client's investment objective. International equities are also generally included to provide further diversification and lessen over-all market risk. For fixed-income securities, PFP utilizes fixed-income mutual funds, individual bonds, money market funds, and bank instruments. These fixed-income investments may be diversified with short-, intermediate- and long-term maturities (though a short- to intermediate-term time frame is generally favored). Fixed-income instruments may include U.S Treasuries, mortgage-backed bonds, municipal bonds, high quality or high yield corporate securities, foreign bonds, and various bank instruments (e.g., a C.D.), for shorter-term investments.

Prior to engaging PFP to provide investment advisory services, the client will generally be required to enter into an *Investment Advisory Services Contract* with PFP setting forth the terms and conditions of the engagement, as well as describing the scope of the services to be provided. Most of PFP's investment advisory clients engage PFP to provide Asset Allocation Services.

These services include:

- Establish an Investment Policy Statement – PFP creates an outline that describes the client's investment objectives, investment time frame, and risk tolerance. This information is utilized to formulate an asset allocation strategy that will be monitored and adjusted based on changing economic climates and investor objectives.

- Determine Asset Allocation – PFP formulates a long-term asset allocation strategy that specifies the percentage of assets to be invested between equity and fixed-income securities, money market funds, and tangible assets. Equities are further diversified by company cap size and domestic versus foreign. Fixed income is further diversified by maturities and "quality" of paper (high quality or high yield).

- Select Mutual Funds Portfolio Managers – The client may require a highly focused investment style and/or investment strategy to best meet their goals. PFP has access to highly regarded portfolio managers via mutual funds throughout the country whom specialize in particular investment styles, strategies and asset classes.

- Establish New Accounts – PFP will assist the client to open accounts by preparing initial applications and transfer forms, as well as help coordinate the transfer of cash and securities to the new accounts.

- Reporting by Custodian – The client will receive monthly and year-end reports detailing account activity and current holdings from the account custodian. This will include a year-end 1099 detailing all reportable transactions for tax purposes.

- Reporting by PFP – PFP provides a quarterly and year-end performance investment review. The client's review will detail the activity in the client portfolio(s) and track basis and investment returns.

Retirement Rollovers-No Obligation/Conflict of Interest: A client leaving an employer typically has four options (and may engage in a combination of these options): 1) leave the money in his former employer's plan, if permitted, 2) roll over the assets to his/her new employer's plan, if one is available and rollovers are permitted, 3) rollover to an Individual Retirement Account (IRA), or 4) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences).

PFP may recommend an investor roll over plan assets to an IRA managed by PFP. As a result, PFP may earn an asset-based fee; however, a recommendation that a client or prospective client leave their plan assets with their old employer will result in no compensation. PFP has an economic incentive to encourage an investor to roll plan assets into an IRA that PFP will manage.

There are various factors that PFP may consider before recommending a rollover, including but not limited to: i) the investment options available in the plan versus the investment options available in an IRA, ii) fees and expenses in the plan versus the fees and expenses in an IRA, iii) the services and responsiveness of the plan's investment professionals versus those of PFP, iv) required minimum distributions and age considerations, and vi) employer stock tax consequences, if any. No client is under any obligation to roll over plan assets to an IRA managed by PFP.

Trade Error Policy

Should they occur, PFP shall reimburse accounts for losses resulting from PFP's trade errors, but shall not credit accounts for such errors resulting in market gains. The gains and losses are reconciled by the custodian within PFP's Error Account. PFP does not receive any net benefit nor retains access to any net gains.

Client Obligations

In performing its services, PFP is not required to verify any information received from the client or from the client's other professionals. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify PFP if there is ever any change in the client's financial situation or investment objectives during the client engagement.

Disclosure Statement

A copy of PFP's written brochure as set forth on Part 2 of Form ADV shall be provided to each client prior to, or at the same time as, the execution of the *Personal Financial Planning Services Contract* or *Investment Advisory Services Contract*. Any client who has not received a copy of PFP's written Brochure at least 48 hours prior to executing the *Personal Financial Planning Services Contract* or *Investment Advisory Services Contract* shall have five business days subsequent to executing the agreement to terminate the PFP's services without penalty.

Non-Participation in Wrap Fee Programs

PFP, as a matter of policy and practice, does not sponsor any wrap fee program. A wrap fee program is defined as any advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment supervisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions.

Amount of Assets Under Management

As of December 31, 2020, PFP provided advice on approximately $63.8 million in assets. All of these assets are managed on a discretionary basis.

Our Policy on Class Action Lawsuits

From time to time, securities held in the accounts of clients will be the subject of class action lawsuits. PFP has no obligation to determine if securities held by the client are subject to a pending or resolved class action lawsuit. PFP also has no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, PFP has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by clients.

Where PFP receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a client, it will forward all notices, proof of claim forms, and other materials, to the client. Electronic mail is acceptable where appropriate if the client has authorized contact in this manner.

Item 5 – Fees and Compensation

Financial Planning

PFP associated persons charge fees for financial planning services. If charged hourly, the fee begins at $200/hour and is payable after each consultation. Comprehensive financial plans and related services are also available for a fixed fee starting at $4,000 and may be less for focused planning.

When the scope of the financial planning services has been agreed upon, a determination will be made as to the applicable fee, and an estimate will be provided to the client. The final fee, subject to negotiation, is directly dependent upon the facts and circumstances of the client's financial situation and the complexity of the financial plan or services requested. *In limited circumstances*, the cost/time could potentially exceed the initial estimate. In such cases, PFP will notify the client and may request that the client pay an additional fee.

Generally, PFP will require that the client pay an initial retainer of 50% of the estimated financial planning fee in advance of any services rendered. The remaining balance is invoiced and payable upon completion of the services and/or presentation of the written plan, if applicable. Under no circumstance will PFP require payment of more than $500 per client, more than six months in advance.

However, at PFP's discretion, other fees and fee payment arrangements may be negotiated. For those clients participating in PFP's investment management services, PFP may - in its sole discretion - offset the cost of financial planning services. For these clients there will be no additional charge for normal planning services over and above the investment management fee. The fees and terms of the financial planning services will be clearly set forth in the client agreement executed between the client and PFP.

Clients may act on PFP's recommendations by placing securities transactions with any brokerage firm the client chooses. The client is under no obligation to act on PFP's financial planning recommendations. Moreover, if the client elects to act on any of the recommendations, the client is under no obligation to implement the financial plan through PFP.

Investment Advisory Services

For investment advisory services, PFP shall charge an investment management fee based upon a percentage of the market value of the assets being managed by PFP. Fees are calculated as a percentage of invested assets, as follows:

Tier Fee Schedule

Fees Charged as a Percentage of Assets*

(Client extended family household accounts may be aggregated to qualify for a lower fee)

Asset Values	Annual Fee	Quarterly Fee
The first $249,999	1.25%	0.3125%
$250,000–$749,999	1.00%	0.2500%
$750,000–$1,249,999	0.75%	0.1875%
$1,250,000–$2,999,999	0.50%	0.1250%
Over $3,000,000	Negotiable	

Please note that a minimum fee of $25.00 per quarter may be imposed.

Investment Advisory Fees are charged quarterly. Fees are paid in advance and are due by the 7th (or prior closest business day) of the month following the end of the previous quarter. The amount due is calculated by applying the tiered quarterly fee percentage to the previous quarter end account value(s). Fees are further prorated for accounts opened after the beginning of a new quarter. Please note that "cash reserves" are excluded from the advisory fee. However, cash held awaiting investment in the upcoming quarter *will* be subject to the normal fee rate. Based on specific client circumstances, certain exceptions may apply.

*Investment Advisory Fees are negotiable for certain client relationships and may be less for the following reasons:

- *Employer Retirement Plan Accounts:* Investment advisory fees are negotiable and may be charged at a plan or participant level.
- *Employee Family Member*: Family members of PFP employees may receive a flat fee rate.

General Information Regarding Advisory Services and Fees

PFP does not represent, warrant, or imply that the services or methods of analysis used by PFP can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections.

Advice offered by PFP may involve investments in mutual funds. Clients are hereby advised that all fees paid to PFP for investment supervisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders, as described in each fund's prospectus. These fees will generally include a management fee and other fund expenses. Further, transaction charges may be applicable when purchasing and selling securities. PFP does not share in any portion of the brokerage fees and/or transaction charges imposed by the broker-dealer/custodian holding the client funds or securities. Clients should review all fees charged by mutual funds, PFP, and others to fully understand the total amount of fees to be paid by the client.

Clients may also incur "account termination fees" upon the transfer of an account from one brokerage firm (broker-dealer/custodian) to another. The range for these account termination fees is believed to range generally $0 to $200 at present, but at times may be much higher. Clients should contact their custodians (brokerage firms, bank or trust company, etc.) to determine the amount of account termination fees which may be charged and deducted from their accounts for any existing accounts which may be transferred.

Such charges, fees and commissions are exclusive of and in addition to the firm's fee, and the firm does not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that the firm considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

The vast majority of clients pay PFP's fees based upon a percentage of the assets advised upon. This is a very common form of compensation for registered investment supervisory firms and avoids the multiple inherent conflicts of interest associated with commission-based compensation (PFP does not accept commission-based investment compensation of any nature, nor does PFP accept 12b-1 fees).

Asset-advised-upon percentage method of compensation can still at times lead to conflicts of interest between PFP and the client as to the advice provided by PFP. For example, conflicts of interest may arise relating to the following financial decisions in life: incur or pay down debt; gift funds to charities or to individuals; purchases of a (larger) home or cars or other non-investment assets; the purchase of a lifetime immediate annuity; expenditures of funds for travel or other activities; investment in private equity investments (private real estate ventures, closely held businesses, etc.); and the amount of funds to place in non-managed cash reserve accounts. PFP has adopted internal policies to properly manage these and other potential conflicts of interest. PFP's goal is that advice to the client remains at all times in the client's best interest, disregarding any impact of the decision upon PFP.

Termination

The client may terminate any new agreement without penalty by providing written notice of such cancellation to PFP within five (5) business days of the date of signing the agreement. Following the five-day cancellation period, the first periods' fee is not refundable due to the large volume of initial work to be undertaken by PFP. Thereafter, either party may terminate the agreement without penalty upon notice in writing to the other party. Upon termination of any contract, any prepaid, unearned fees will be promptly refunded, with the refund calculations based pro rata to the date of termination. Upon the termination of the agreement, PFP will not possess any obligation to recommend or take any action with regard to the securities, cash, or other investments in a client's account.

The agreement for portfolio management will continue in effect until terminated by either party by written notice in accordance with the terms of the *Investment Advisory Services Contract*.

PFP believes that the charges and fees offered within its programs are competitive with alternative programs available through other firms offering a similar range of services; however, lower fees for comparable services may be available from other sources. A client could invest in mutual funds directly, without the services of PFP. In that case, the client would not receive the services provided by PFP which are designed, among other things, to assist the client in determining which investments are most appropriate to each client's financial condition and objectives, undertake a disciplined approach to portfolio rebalancing while taking into account the tax ramifications of same, and to avoid ad hoc emotional reactions to shorter-term market events. Also, some of the funds used by PFP may not be available to the client directly without the use of an investment adviser granted access to such funds (such as institutional funds).

PFP's relationship with each client is non-exclusive; in other words, PFP provides investment advisory services and financial planning services to multiple clients. PFP seeks to avoid situations in which one client's interest may conflict with the interest of another of the firm's clients. However, one circumstance which could arise is a sudden sharp downturn in the values of one or more asset class, thereby triggering (under adopted investment policies with the vast majority of PFP's clients) the need to rebalance the investment portfolios following the close of any business (trading) day. In this instance, PFP seeks to rebalance each client's investment portfolio on a timely basis, keeping in mind that most mutual fund trades occur at the end of a trading day. In determining which client portfolios to attend to first, PFP ranks clients by the amount of assets under advisement as of the last quarterly period from highest to lowest, and generally proceed to rebalance portfolios accordingly.

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

Item 6 is not applicable to PFP. PFP does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). Such acceptance or management would pose a significant conflict of interest to clients because performance-based fees may provide an incentive to favor such accounts over the accounts of clients under our other advisory programs. PFP considers avoidance of such conflict a paramount policy to maintain a fiduciary duty to the client.

Item 7 – Types of Clients

PFP offers personalized investment supervisory services to individuals, high net worth individuals, trusts, pension and profit-sharing plans, corporations and business entities. Client relationships vary in scope and length of service.

Required Minimum Client Accounts

PFP does not require an account minimum for investment management services. However, PFP requires a minimum quarterly fee of $25. PFP, in its sole discretion, may charge a lesser management fee, or choose to reduce or waive the quarterly minimum fee, based upon certain criteria (i.e. pre-existing financial planning client, anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.) or as discussed in Item 5 above.

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

Before designing investment plans for clients, PFP will evaluate the client's investments to determine whether the client's goals harmonize with the client's financial objectives. In designing investment plans for clients, PFP relies upon the information supplied by the client and the client's other professional advisors. Such information may pertain to the client's financial situation, estate planning, tax planning, risk management, short-term and long-term lifetime financial goals and objectives, investment time horizon, and perceived current tolerance for risk. PFP will design and propose a portfolio to help clients attain their financial goals.

This information will become the basis for the strategic asset allocation plan which PFP believes will best meet the client's stated long term personal financial goals. The strategic asset allocation provides for investments in those asset classes which PFP believes (based on historical data and PFP's analysis) will possess attractive combinations of return, risk, and correlation over the long term.

When PFP invests client assets, asset allocation techniques are used which include mutual funds that invest in stocks and bonds of varying characteristics and from both the United States and foreign markets. PFP invests for the long term and expects that not all investments in a given portfolio will perform in unison with other assets in the same portfolio. PFP manages money for the clients' downside protection, not upside gain. PFP does not systematically re-balance the portfolio on a regular basis, but monitors each portfolio's asset allocation to make adjustments where appropriate. For investment advisory-only clients, PFP's portfolio management decisions are made considering only the assets being managed and exclude other investments the client may hold. For clients who engage PFP for comprehensive financial planning *and* investment advisory services, values for non-managed investments are included for re-balancing purposes; with said values based on information provided by the client.

PFP may also provide advice on any type of investment held in a client's portfolio at the inception of the advisory relationship. PFP will explore other investment options at the client's request. Additionally, PFP reserves the right to advise clients on any other type of investment that may be appropriate based on the client's stated goals and objectives.

When investment markets are experiencing extraordinary circumstances, PFP may recommend that assets in a client's account be moved to cash and then resume asset allocation at a future time.

PFP may utilize fundamental analysis. Fundamental analysis is performed on historical and present data, with the goal of making financial forecasts. The main sources of information include financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

Other sources that the firm may use include Morningstar mutual fund information, Morningstar stock information, and the worldwide web.

Investment Strategies

The primary investment strategy used on client accounts is asset allocation based on Modern Portfolio Theory. PFP develops a diversified investment portfolio by mixing different assets in varying proportions depending on client and current economic climate. The primary purpose of Asset Allocation is to reduce the risk in the portfolio, while maintaining or enhancing the rate of return of the portfolio. Portfolios are globally diversified to control the risk associated with traditional markets.

Each client receives investment advice regarding their portfolio based upon his/her/its:

- Time Horizon
- Risk Tolerance
- Expected Rate of Return
- Asset Class Preferences

The investment vehicles used to invest in the various asset classes are mutual funds.

The mutual funds provide:

- Professional Management
- Diversification
- Flexibility
- Liquidity

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time.

Other strategies may include long-term purchases and short-term purchases.

PFP's methods of analysis and investment strategies do not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis PFP must have access to current/new market information. PFP has no control over the distribution rate of market information. An accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

PFP's primary investment strategies - Long Term Purchases and Short Term Purchases - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. PFP's investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- ***Interest-rate Risk:*** The risk that investment returns will be affected by changes in the level of interest rates. When interest rates increase, the prices and values of bonds decrease. When interest rates decrease, the prices and values of bonds increase.

- ***Market Risk:*** The risk that investment returns will be affected by changes in the overall level of the stock market. When the stock market as a whole increases or decreases; virtually all stocks are affected to some degree.

- ***Reinvestment Rate Risk:*** The risk incurred when an investment's income is reinvested at a lower rate than the rate that existed at the time the original investment was made. This risk is most prevalent when interest rates fall.

- ***Purchasing Power Risk (Inflation Risk):*** The risk that inflation will affect the return of an investment in real dollars. In other words, the amount of goods that one dollar will purchase decreases with time. Investments that have low returns, such as savings accounts, are not likely to keep up with inflation. Investments with fixed returns, such as bonds, will decrease in value because their purchasing value will decrease with inflation.

- ***Business Risk:*** The risk associated with a particular industry or firm. These are factors that affect the industry or firm, but do not affect the whole market. They include government regulations, management competency, or local or regional economic factors.

- ***Financial Risk*:** The risk associated with the mix of debt and equity used to finance a company. The greater the financial leverage, the greater the financial risk.

- ***Currency Risk (Exchange Rate Risk)*:** The risk that a change in the value of a foreign currency relative to the U.S. dollar will negatively affect a U.S. investor's return.

- ***Liquidity Risk*:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

In general, cash equivalents provide liquidity with minimum income, and a return of principal with no capital appreciation. Cash equivalents are, however, subject to purchasing power risk.

Fixed income investments provide current income. Usually, the longer the maturity of the security, the higher the income it will generate. Also, with longer maturities, fixed income investments will have greater price volatility and greater opportunity for capital gains or capital losses. Fixed income investments are subject to interest rate risk, reinvestment rate risk, and purchasing power risk. In additional, foreign bonds would be subject to currency rate risk and high-yield bonds would be subject to business risk and financial risk.

The return of principal for bond funds and funds with significant underlying bond holdings is not guaranteed. Mutual fund shares are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings. Lower rated bonds are subject to greater fluctuations in value and risk of loss of income and principal than higher-rated bonds.

Equity investments are subject to greater volatility, thus providing a greater opportunity for capital gains, and a greater opportunity for capital losses. Equity investments offer little or no current income. Equity investments are subject to market risk and interest rate risk, while providing an opportunity to protect against purchasing power risk. Also, stock mutual funds, rather than individual equities, may limit the exposure to business risk and financial risk.

Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be heightened in connection with investments in developing countries. Small-company stocks entail additional risks, and they can fluctuate in price more than larger company stocks.

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value. Exceptions to this are CD’s and FDIC-insured money market funds.

Different types of investments involve varying degrees of risk, and the client should not assume that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended by PFP) will be profitable or equal to any specific performance level(s).

Item 9 – Disciplinary Information

PFP has no reportable legal or disciplinary events.

Item 10 – Other Financial Industry Activities and Affiliations

PFP associated persons are engaged in professions other than giving investment advice. Patricia Patterson spends 95% of her respective time with the primary business activity of providing financial planning and investment advisory services through PFP.

Patricia is also a licensed insurance agent through numerous insurance companies. In such a capacity, she may offer insurance products and receive normal and customary commissions as a result of such purchases. Patricia spends 5% of her time on these activities.

Neither PFP, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither PFP, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

PFP does not have any relationship or arrangement that is material to its advisory business or to its clients with any related person.

PFP does not recommend or select other investment advisors for its clients.

Item 11 – Code of Ethics

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

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

Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of PFP's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between PFP and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with PFP's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. PFP will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

PFP's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Patricia Patterson at (760) 751-2397 or patti@myplanner.cc.

It is PFP’s policy that the firm will not affect any principal or agency cross securities transactions for client accounts. PFP will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Item 12 – Brokerage Practices

In the event the client requests that PFP recommend a broker dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct PFP to use a specific broker-dealer/custodian), PFP generally recommends T.D. Ameritrade Institutional (TDA), a division of T.D. Ameritrade, Inc., Member FINRA/SIPC/NFA. Prior to engaging PFP to provide investment management services, the client will be required to enter into a formal *Investment Advisory Services Contract* with PFP setting forth the terms and conditions under which PFP shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that PFP considers in recommending TDA (or any other broker-dealer/custodian to clients) include historical relationship with PFP, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by PFP's clients shall comply with PFP's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction. If this occurs, it is because PFP determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of broker-dealer services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although PFP will seek competitive rates, it may not necessarily obtain the lowest possible commission or transaction rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, PFP's investment management fee. PFP's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, PFP may receive from TDA (or another broker-dealer/custodian) without cost (and/or at a discount) support services and/or products, certain of which assist PFP to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by PFP may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by PFP in furtherance of its investment supervisory business operations.

As indicated above, certain of the support services and/or products that *may* be received may assist PFP in managing and administering client accounts. Others do not directly provide such assistance, but rather assist PFP to manage and further develop its business enterprise.

PFP's clients do not pay more for investment transactions effected and/or assets maintained at TDA as a result of this arrangement. There is no corresponding commitment made by PFP to TDA or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

PFP's Chief Compliance Officer, Patricia C. Patterson, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.

Aggregation of Client Trades

To the extent that PFP provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless PFP decides to purchase or sell the same securities for several clients at approximately the same time. PFP may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among PFP's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. PFP shall not receive any additional compensation or remuneration as a result of such aggregation.

PFP's employees are not registered representatives of TDA or any other custodian/broker-dealer and do not receive any commissions or fees from recommending these services.

Directed Brokerage

Some clients may instruct PFP to use one or more particular brokers for the transactions in their accounts. Clients who may want to direct PFP to use a particular broker should understand that this may prevent PFP from effectively negotiating brokerage compensation on their behalf. This arrangement may also prevent PFP from obtaining the most favorable net price and execution. Thus, when directing brokerage business, clients should consider whether the commission expenses and execution, clearance and settlement capabilities that they will obtain through their broker are adequately favorable in comparison to those that PFP would otherwise obtain for its clients. Clients are encouraged to discuss available alternatives with their advisory representative.

Item 13 – Review of Accounts

For those clients to whom PFP provides investment management supervisory services, account reviews will be conducted on an ongoing basis by either James Patterson or Patricia Patterson. All investment supervisory clients are advised that it remains their responsibility to advise PFP in writing of any changes in their investment objectives and/or financial situation, or if they wish to impose any reasonable restrictions on PFP's discretionary management services. All clients (in person or electronically) are encouraged to review investment objectives and account performance with PFP on an annual basis.

PFP may conduct account reviews on an other than periodic basis upon the occurrence of a triggering event such as a market correction, large deposits or withdrawals from an account, substantial changes in the value of a client's portfolio, change in the client's investment objectives and upon client request.

As required by the client's situation, financial plans will be reviewed and, if necessary, revised to reflect changes in tax laws, investment and economic conditions, as well as changes in client goals and financial circumstances. Financial Plan updates are individualized, and as such, the nature and frequency of reviews will be determined by client need. Reviews of Financial Plans will be made a minimum of once per year for clients maintaining PFP's ongoing financial planning services.

Reports to Clients

The account custodian provides trade confirmation and monthly statements to clients. For those clients to whom PFP provides investment advisory services, they will generally receive performance reports for each quarter, and investment tax reports on an annual basis, unless otherwise agreed to with the client. Reports typically include summaries of financial market performance, client portfolio performance, investment holdings and account values. Additional reports are available and will be provided on an ad hoc basis.

Item 14 – Client Referrals and Other Compensation

As referenced in Item 12 above, PFP may receive an indirect economic benefit from TDA. PFP, without cost (and/or at a discount), may receive support services and/or products from TDA.

PFP periodically receives client referrals from websites where they may be listed. In no case will the client pay any additional fees to PFP for services if the referral comes from any of these listings.

PFP's associated person, Patricia Patterson, is a licensed agent with several life, disability, and other insurance companies. In such a capacity, Patricia may offer insurance products and receive the normal and customary commissions as a result of such a purchase. This presents a conflict of interest to the extent the recommendation to purchase an insurance product may result in a commission being paid to Patricia as an insurance agent. The client is under no obligation to purchase any products recommended by PFP's associated persons or through any particular insurance company. Any commissions that may be paid due to any insurance services will be disclosed in writing.

Item 15 – Custody

It is PFP's policy to not accept custody of a client's securities. In other words, PFP is not granted access to clients' accounts which would enable PFP to withdraw or transfer or otherwise move funds or cash from any client account to PFP's accounts or the account of any third party (other than for purposes of fee deductions, as explained below). This is for the safety of the clients' assets.

However, with a client's consent, PFP may be provided with the authority to seek deduction of PFP's fees from a client's accounts; this process generally is more efficient for both the client and the investment adviser, and there may be tax benefits for the client to this method when fees can be paid from certain accounts of clients.

The account custodian does not verify the accuracy of PFP's advisory fee calculation.

All of PFP's clients receive account statements directly from qualified custodians, such as a bank or broker dealer that maintains those assets. The client should carefully review these account statements and compare them to the quarterly or other reports provided by PFP. Statements provided by PFP may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. PFP urges all of our clients to compare statements in order to ensure that all account transactions, including deductions to pay advisory fees, remain proper, and to contact Patricia Patterson, Chief Compliance Officer, with any questions. If you are not receiving at least quarterly custodial account statements, please contact Patti Patterson or Jim Patterson at (760) 751-2397.

Item 16 – Investment Discretion

PFP receives discretionary authority from the client at the outset of an advisory relationship to allow PFP the ability to place trades within the client's account. The client shall be required to execute an *Investment Advisory Services Contract*, granting PFP full authority to buy, sell, or otherwise effect investment transactions. Investment discretion is further approved by the client, in writing, through a limited power of attorney on the brokerage custodian's new account paperwork when the client account is established. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account

Discretionary authority allows PFP to perform trades in the client's account without further approval from the client. This includes decisions on the following:

- Securities purchased or sold
- The amount of securities to be purchased or sold

Once the portfolio is constructed and as requested by the client, PFP provides ongoing supervision and re-balancing of the portfolio as changes in market conditions and client circumstances may require.

PFP seeks to undertake a minimal amount of trading in client accounts, in order to keep transaction fees, other expenses, and tax consequences associated with trading to minimal levels.

Clients who engage PFP on a discretionary basis may, at any time, impose restrictions, in writing, on PFP's discretionary authority (i.e., limit the types/amounts of particular securities purchase for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe PFP's use of margin, etc.).

Item 17 – Voting Client Securities

PFP will not vote proxies on behalf of advisory clients' accounts. Although, on rare occasions and only at the client's request, PFP may offer clients advice regarding corporate actions and the exercise of proxy voting rights.

Clients will receive proxies or other solicitations directly from their broker-dealer/custodian.

Item 18 – Financial Information

PFP does not require the prepayment of more than $500 in fees per client, six months or more in advance of the services to be provided. PFP accepts limited forms of discretion over clients' accounts, as described in Item 16 of this brochure. PFP is unaware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. PFP has never been subject of a bankruptcy proceeding.

Item 19 – Requirements for State-Registered Advisers

Patricia C. Patterson, CFP®, CMFC® and James R. Patterson are the members of Premier Financial Planning, Inc. Information on their background, education, and qualifications is contained in a supplement to this brochure. You should receive both the brochure and the supplement.

Item 1 – Cover Page

Brochure Supplement (Part 2B of Form ADV)

Patricia C. Patterson, CFP®, CMFC®

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This brochure supplement provides information about Patricia C. Patterson that supplements the Premier Financial Planning, Inc. brochure. You should have received a copy of that brochure. Please contact us at (760) 751-2397 and/or patti@myplanner.cc if you did not receive Premier Financial Planning, Inc.'s brochure or if you have any questions about the contents of this brochure.

Additional information about Patricia C. Patterson is available on the SEC's website at www.adviserinfo.sec.gov. Ms. Patterson's CRD# is 1037506.

Item 2 – Educational Background and Business Experience

Patricia (Patti) C. Patterson was born in 1955. Patti has lived in the San Diego area since the age of 2. While attending San Diego State University, she embarked on a career in real estate. Wishing to broaden her skills, Patti began her CFP® professional education and started providing financial planning services in 1982. She achieved her Certified Financial Planner™ (CFP®) designation in 1984. A past real estate licensee, Patti obtained her life/disability insurance license (1983), her Series 7 general securities license (1984) and her Chartered Mutual Fund Counselor (CMFC®) designation (1996). By including a holistic approach in her planning, she helps clients to clarify goals in all areas of life and to design a financial strategy that is tailored to their unique set of circumstances, values and priorities. Patti is married with two children and values quality time spent with her family and pets. She enjoys the outdoors, riding her horses, visiting new places, taking photos and creating DVDs to memorialize her vacations. Patti is a planner by nature and enjoys helping clients to achieve their goals.

Formal Post High School Education:

- San Diego State University, 1975–76, no degree obtained
- Mesa Junior College, 1974, no degree obtained

Designations/Certifications/Licenses:

- Certified Financial Planner™, CFP®, 1984
- State of California: Insurance license-life/health/disability, 1983
- NEFE: Chartered Mutual Fund Counselor℠ (CMFC®) designation, 1996
- State of California: Real Estate Licensee, 1976 – now inactive
- NASD: Securities licenses - #22, 1982; #7, 1984; #63, 1992 – now inactive

Business Background for the Previous Five Years:

- Premier Financial Planning, Inc., CFO and CCO, 2007 to Present
- Premier Financial Planning, Inc., President, 2007 to 2021
- Premier Financial Planning, LLP, Partner, 2004–2007

Item 3 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the client's evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4 – Other Business Activities

As discussed in Item 14 of the ADV Part 2A, Patricia Patterson is a licensed agent with several life, disability, and other insurance companies. In such a capacity, Patricia may offer insurance products and receive the normal and customary commissions as a result of such a purchase. All compensation for such insurance sales is paid directly to Patricia.

Item 5 – Additional Compensation

None

Item 6 – Supervision

Patricia C. Patterson as the Chief Compliance Officer supervises her own work.

Item 7 – Requirements for State-Registered Advisers

Arbitration Claims:	None
Self-Regulatory Organization or Administrative Proceedings:	None
Bankruptcy Petition:	None

Professional Certifications

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

Certified Financial Planner (CFP®) The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 73,600 individuals have obtained CFP® certification in the United States.

As of January 1, 2016, to attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements. The qualifications may not have been in place when the credential was obtained in 1984.

- **<u>Education</u>** – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

- **<u>Examination</u>** – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;

- **<u>Experience</u>** – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and

- **<u>Ethics</u>** – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- **<u>Continuing Education</u>** – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and

- **<u>Ethics</u>** – Renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

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

Certified Mutual Fund Counselor℠ (CMFC®) designation is awarded by The College for Financial Planning® to students who:

- successfully complete the program;

- pass the final examination; and

- comply with the Code of Ethics, which includes agreeing to abide by the Standards of Professional Conduct and Terms and Conditions. Applicants must also disclose of any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct.

Successful students receive a certificate and are granted the right to use the designation on correspondence and business cards for a two-year period. Continued use of the CMFC® designation is subject to ongoing renewal requirements. Every two years individuals must renew their right to continue using the CMFC® designation by:

- completing 16 hours of continuing education;

- reaffirming to abide by the Standards of Professional Conduct, Terms and Conditions, and self-disclose any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct

The above requirements are those in place as of January 1, 2016 and may not be the requirements in place when the designation was obtained in 1996.

- **State of California insurance license renewal requirement** as of January 1, 2016. These requirements may not be the requirements in place when the license was obtained in 1983. Complete a minimum of 24 approved credit hours for that license type per each two-year license term, including three hours of ethics continuing education training. If the licensee solicits individuals for the sale of long-term care (LTC) insurance, beginning with the 12-month period ending in 1994, 8 of 24 hours must be in specially designated LTC courses.

Item 1 – Cover Page

Brochure Supplement (Part 2B of Form ADV)

James R. Patterson

Premier Financial Planning, Inc.

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This brochure supplement provides information about James R. Patterson that supplements the Premier Financial Planning, Inc. brochure. You should have received a copy of that brochure. Please contact us at (760) 751-2397 and/or patti@myplanner.cc if you did not receive Premier Financial Planning, Inc.'s brochure or if you have any questions about the contents of this brochure.

Additional information about James R. Patterson is available on the SEC's website at www.adviserinfo.sec.gov. Mr. Patterson's CRD# is 7378435.

Item 2 – Educational Background and Business Experience

James (Jim) Patterson was born in 1985. Jim's lived in the San Diego area all his life. He attended school at Palomar College, later transferring to Cal State San Marcos. He graduated in 2008 with a B.S. in Business Administration with a focus in Finance. Jim uses a well-rounded approach to planning, helping clients to clarify goals and to design a financial strategy that is personalized to their unique set of needs, priorities and circumstances. Jim is single and enjoys spending time with his friends, family, and pets. He enjoys walking his dog, playing golf and disc golf, visiting national parks, and photography. Jim is always visualizing the next step, using this to help clients map out their goals and improve the probability of achieving their objectives.

Formal Post High School Education:

- Palomar College, 2003–2005, general education transfer
- California State University San Marcos, 2005-2008, Bachelor of Science: Business Administration: Finance.

Security License:

- NASAA: Securities licenses - #65, 2021

Business Background for the Previous Ten Years:

- Premier Financial Planning, Inc., CEO and Secretary, 2021 to Present
- Premier Financial Planning, Inc., hired 2011 as Administrative Assistant/ Financial Paraplanner, promoted 2021 to Investment Advisor Representative.

Item 3 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the client's evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4 – Other Business Activities

None

Item 5 – Additional Compensation

None

Item 6 – Supervision

Mr. Patterson is supervised by Patricia Patterson. Ms. Patterson reviews Mr. Patterson's work through frequent meetings. Please contact Ms. Patterson if you have any questions about Mr. Patterson's brochure supplement at (760) 751-2397.

Item 7 – Requirements for State-Registered Advisers

Arbitration Claims:	None
Self-Regulatory Organization or Administrative Proceedings:	None
Bankruptcy Petition:	None