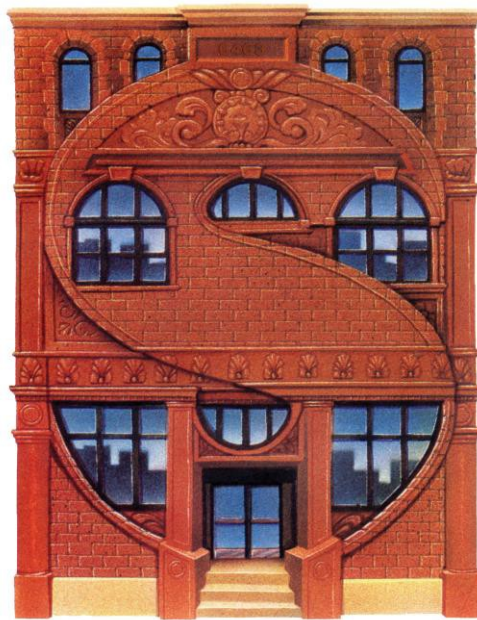


# Form ADV Part 2A Brochure



**THE ART AND  
SCIENCE OF  
SUCCESSFUL  
PLANNING**

## **The Art and Science of Successful Planning**

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Revision Date February 11, 2023

*This brochure provides information about the qualifications and business practices of The Art and Science of Successful Planning. If you have any questions about the contents of this brochure, please contact us at (239) 489-0084 and/or fax (239) 489-0965. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about The Art and Science of Successful Planning is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

## Material Changes

There are no material changes to report at this time.

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## Advisory Business

The Art and Science of Successful Planning was established as a Registered Investment Advisory in the state of Florida in 2001 when the sole founder and President, Tyler G. Harrelson, CES, CLTC, CFS, first affiliated with an Independent Broker/Dealer [MSC] Mutual Services Corporation, which has since been acquired by *Linsco Private Ledger*. The Art and Science of Successful Planning is a privately-owned corporation run by its sole Investment Advisor Representative Tyler G. Harrelson, CES, CLTC, CFS. In 2018, The Art and Science of Successful Planning, in an effort to better distinguish the insurance agency as being separate and independent from the investment advisory company, has incorporated the RIA as The Art and Science of Successful Planning separately. It's President, Tyler G. Harrelson, who has been securities licensed since 1993, and insurance licensed since 1991 is also a licensed Life and Health Insurance Agency and provides advisory and brokerage services outside the capacity of securities related topics and subject matter through The Art and Science of Successful Planning

The Art and Science of Successful Planning only offers financial planning services for a flat fee or hourly rate on a variety of subjects but not limited to the following areas for individuals, trusts, and corporations were applicable:

- Financial Organization
- Cash Flow Analysis
- Education Funding Analysis
- Insurance Needs and Policy Analysis
- Personalized Tax Planning Analysis
- Investment Analysis
- Financial Independence Analysis
- Estate Planning Coordination and Analysis
- Business and/or Retirement Plan Analysis
- Qualified & Non-Qualified Incentives Analysis
- Public Benefits Consulting (Dept. of Veterans Affairs/Medicaid & Medicare)
- Employee Benefit Analysis
- Employment Service Offerings Analysis (Including P.E.O Brokerage)
- IRC Section 125 Analysis
- Voluntary Benefits Offering Analysis
- Misc. Under Separate Cover

All of the above, but not limited to, services are based on the individual needs of the client. An initial interview and comprehensive data gathering process and questionnaire is undertaken to determine the client's financial situation and objectives, and to give the client the opportunity to impose reasonable restrictions or adherences to the outcome of the topic being advised. Clients have the ability to have strong input as to the possible outcomes in the planning process and can maintain instructions with the IA Rep to impose certain restrictions or to refrain from certain input factors that may create differing outcomes, i.e. hypothetical inflationary coordinates.

Financial Plans are consistent with the individual client's financial and tax status and risk/reward objectives. Planning may be comprehensive or segmented and focus on investments, insurance, taxes, retirement, public benefit assessment, and/or estate plans, etc. The Art and Science of Successful Planning provides these services in addition to management training for business owners and provides business consultations not involving securities. This is separate from personal Financial Plan services. Topics may include budgetary planning, succession planning, and/or business plans.

On occasion The Art and Science of Successful Planning holds seminars. These seminars never include securities related subject matters. Presentations are on various topics, including but not limited to; employment issues, business models and structures, compensation strategies, estate planning, buy/sell arrangements, public benefit planning, long-term care planning, Medicare, and retirement and tax planning to name a few. A fee is usually never charged to those in attendance. The seminars are developed and provided as educational orientations for various associations and employers, and if any fee is charged to attendees then that fee is collected by that organization hosting The Art and Science of Successful Planning and is separate from the IAR's organization.

The Art and Science of Successful Planning also provides Investment Supervisory Services, defined as giving continuous advice to a client or making investments on behalf of individual needs. Through careful discussion of goals and objectives based on client's needs, The Art and Science of Successful Planning develops a financial plan unique to each individual. Once a specialized Investment Policy Statement (IPS) is established, a portfolio is then generated to reflect the mutually agreed upon asset allocation contained in the IPS. Each account managed by The Art and Science of Successful Planning is on a discretionary and/or non-discretionary basis as outlined in each household's IPS. Account supervision and monitoring is guided by the stated objectives contained in the IPS

As of 12/31/22 The Art and Science of Successful Planning managed approximately \$9,220,880 in discretionary assets under management.

Portfolios managed by The Art and Science of Successful Planning, via third-party investment advisors discussed below, may consist of one or all of the following: individual equities, bonds, variable annuities, mutual funds, exchange-traded funds, CDs, alternative investments, REITs and separately managed accounts. Variable annuities and mutual funds will be selected on the basis of any or all of the following: the fund's performance history, the industry sector, the track record of the fund manager, investment objectives and the overall management philosophy and fee structure. Portfolio weighting between funds and market sectors will be determined by each client's IPS depending upon the risk tolerance and needs of the client. Clients will have the opportunity to place reasonable investment restrictions at any time based on risk tolerance. Individual ownership of assets remains with the client at all times, with brokerage accounts normally custodied at Pershing, TD Ameritrade or Nationwide

Institutional via our 3<sup>rd</sup> party relationships with Orion Portfolio Solutions, Envestnet Asset Management, Inc., and Crystal Capital Partners, LLC., The Art and Science of Successful Planning is a Registered Investment Advisor which holds us to a Fiduciary Standard of care, meaning we place our clients' interests before our own, in contrast to general brokers' standards of only requiring investments must be "suitable". Through our discovery processes, each client is led on a path toward long-term financial success: The personalized attention each client receives combined with a strong client-advisor relationship is what helps build the foundation to our success. Our goal with each client is to meet their long-term financial objectives through a multi-disciplinary holistic approach. With principles of safety and soundness at the heart of every client relationship, The Art and Science of Successful Planning is able to continue leading its clients to a path of long-term financial success.

Once the financial review is complete and a financial plan agreed upon, we will work diligently to design an individualized asset allocation. Our planning considers all client holdings, even those we may not manage directly. Our transactional flexibility provides product diversity, as well as offering Separate Account Managers (SMAs) that we monitor before approving. Here's what you can expect from us:

- Financial Planning, for as many specific goals as the client has, i.e. retirement, education, etc.
- Disciplined Portfolio Management
- Multigenerational Wealth Transfers
- Retirement & Estate Planning
- Insurance Reviews
- Asset Protection Planning
- Education Planning
- Asset protection Planning (including VA and Medicaid)

For each client, The Art and Science of Successful Planning will produce a written individual Investment Policy Statement (IPS) reflecting an agreed-upon asset allocation. Once the agreement is signed, we start investing on your behalf. We meet with you to provide a forum to discuss life changes that may have an effect on your financial plan, and to determine if any financial changes or adjustments are necessary. We also touch base with you to discuss the impact of current economic conditions on your portfolio. Adjustments may be made quarterly to ensure adherence to your asset allocation.

### **Our Mission**

As your Advisors, we will be singularly focused on one goal. This goal will be to help you work towards your financial lifestyle objectives by ensuring you have the appropriate tools to succeed. We will accomplish this by first identifying the true purpose of your money; and then, structure investment strategies, and risk management techniques that provide that opportunity to achieve that specific purpose. We will employ money management techniques that provide us with the opportunity to strike the delicate balance between investment risk and investment return. Finally, we will be committed to insuring that every strategy is a client-centered strategy and that your interest, as our client, will unconditionally come first.

### **Our Goal**

We provide personalized service, coupled with current financial knowledge to address your individual needs and circumstances. We guide you on a successful path toward meeting your financial goals by utilizing our well documented plans, which are designed to focus on the big picture, not short-term market variations.

### **Why Clients Choose Us**

- Objective Advice
- Investment Diversity
- Transparent Reporting (performance, fees)
- Tax Efficient Portfolio Management
- Multi-disciplined Team

## Fees and Compensation

The following fee schedule outlines both methods of compensation and are negotiable based on the particular subject(s) matter being advised upon. IA will council client(s), as to what method to elect, based on the initial data gathering and make a recommendation to the client that is in their individual best circumstances based on all of the information provided to date. IA will make contact with client(s) should an early estimate of time become invalid. IA will make a concerted effort to perform services in a conscientious manner with due regard to client(s) budget.

**Hourly Fee** IA Professional.....\$150 - \$275 per hour  
Case Analyst Staff.....\$85 - \$150 per hour

Range is based on complexity of due diligence necessary to perform the consultation, and the comprehensive data gathered in the fact finder interview process and questionnaire.

**Fixed Fee** (Not to exceed \$15,000) unless previously authorized by Management and Client.

Fixed Fee designs are usually designed for extended timeframe type subjects like management training, business organizational structures, employment related compensation structures, comprehensive multi-generational and closely held family business estate planning, and complex prudent man doctrine as it relates to employer related subjects like employee benefits and labor and wage act regulations.

**Negotiated Fee** (to include AOR)

Negotiated Fees will include situations when products will be placed in which the IAR will also be acting as a (RR) Registered Representative or Insurance Agent and accepts some form of gratuity (compensation). IAR still holds the conflict of interest in high regard and does not contractually bind client to the purchase of insurances or investments with the RR. IA provides the option upfront and reduces the fees accordingly based on the compensation allotted by the purveyor company.

### Payment of Fees:

If Client decides to retain Advisor's services after the initial consultation, Advisor will provide Client with an estimate of applicable fees for developing the Financial Plan. This is only an estimate and is subject to changes as the need for



additional services changes. A retainer of fifty percent of the estimated fee will be required after the initial consultation. The balance of all fees will be billed to Client at completion of Client's Financial Plan. Advisor fees are generally due no later than 30 days after Client receives Advisors invoice. Fees are negotiable and may be waived under certain circumstances.

#### **Other Expenses:**

The fees shown above include consultation and review, but do not include Advisor's engagement meeting preparation and travel time, or other trusted advisor collaboration time. After Advisor has completed Client's initial plan, any subsequent planning sessions requested by Client will be billed at the Hourly Fee set forth above, which are billed in (15) fifteen-minute increments. Fees also do not include the incidental costs of mailing and additional presentation materials and bindings, nor is the advisor obligated to supply directories, Summary plan descriptions, brochures, or plan specific materials that would normally accompany plan implementation which often come under separate cover from product or service purveyor if applicable.

#### **Asset Management Fees:**

The Art and Science of Successful Planning does not handle direct billing of fees, nor does it directly custody assets, therefore fees are processed under separate cover and are disclosed by the 3<sup>rd</sup> party.

#### **Selection of Other Advisers:**

Advisory fees charged by third-party money managers ("TPMM") are separate and apart from our advisory fees. Assets managed by TPMMs will be based on the fee schedule set forth in the Portfolio Management Services section in this brochure.

Advisory fees that you pay to the TPMM are established and payable in accordance with the brochure provided by each TPMM to whom you are referred. These fees may or may not be negotiable. You should review the recommended TPMM's brochure and take into consideration the TPMM's fees along with our fees to determine the total amount of fees associated with this program.

You may be required to sign an agreement directly with the recommended TPMM(s). In some cases the Agreement may be a tri-party Agreement that includes us as well as the TPMM, but in either event you are required to have a written contract with us. You may terminate your advisory relationship with the TPMM according to the terms of your agreement with the TPMM. You should review each TPMM's brochure for specific information on how you may terminate your advisory relationship with the TPMM and how you may receive a refund, if applicable. You should contact the TPMM directly for questions regarding your advisory agreement with the TPMM.

## Performance-Based Fees and Side-by-Side Management

Not applicable as the Art and Science of Successful Planning does not offer performance-based fees.

## Types of Clients and Account Minimums

The Art and Science of Successful Planning engages various types of clientele including but not limited to individuals, (POA's) Powers of Attorney, Trustees, Trusts, Corporations, Attorney's, Accountants, Estates, etc. The Art and Science of Successful Planning currently does not have account size minimums, however dependent upon the 3<sup>rd</sup> party organization utilized minimum account sizes could be restrictive for investment advisory related services based upon each fund or TPMM requirements. The Art and Science of Successful Planning does however reserve the right to *not* work for certain client(s) after the initial consultation or after further review of the data provided in the fact finder and questionnaire. If IA decides not to engage client after initial deposit has been provided IA will refund with a written notice a refund of the portion of any fees paid but not yet earned as of the date such notice is provided less any expenses incurred by the Advisor up to and including such date.

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

Financial Organization -Through interviews, review of documents and data collected by the Advisor during in-person meetings with the Client, Advisor will develop the following reports for Client:

- ❑ Statement of Goals & Objectives.
- ❑ Personal balance sheet.
- ❑ Detailed summary of assets and liabilities including ownership designation.
- ❑ Discuss options for re-organization (if applicable)
- ❑ Review alternative organizational structures
- ❑ Flow chart personnel & devise checks and balance for achieving goals

Cash Flow Analysis - Advisor will analyze Client's current income and expenses (including income taxes) and recommend a specific course of action with regard to the appropriate savings necessary to fund Client's various financial objectives.

Education Funding Analysis - Advisor will utilize educational funding computer models in order to determine the amount of savings required to meet Client's goal of funding private school, college and/or graduate school tuition for his or her children and/or grandchildren. For additional cost advisor will recommend third party consulting firm for techniques involved in applying to schools and subsidized educational programs including but not limited to grants, scholarships, and other forms of perpetuity.

Insurance Needs and Policy Analysis - Advisor will evaluate Client's insurance needs, including medical, life, disability, long term care or other types of insurance and will analyze the ability of Client's current insurance coverage to meet Client's goals in this area. With respect to group and individual insurance(s), Advisor will determine the dollar amount and type of insurance policies needed to meet the Client's goals and, if appropriate, coordinate with Client's insurance providers to implement changes in Client's current insurance coverage. If appropriate, Advisor will coordinate Client's insurance policies with Client's estate plan.

Personalized Tax Planning Analysis - Advisor will coordinate with Client's accountant and/or tax advisor regarding the projection of the Client's estimated tax liability, withholdings, estimated quarterly payments, etc. determining were appropriate alternative means of structuring taxes.

Advisor will review coordination of payroll taxes, income taxes, intangible taxes, and projected estate taxes on a macroeconomic basis clients needs based goals and objectives.

Investment Analysis- Advisor will evaluate the Client's investment goals, concerns, risk profile, current investment portfolio and determine the ability of Client's current strategy to meet Client's goals in that area. Advisor will prepare an asset allocation analysis of Client's current investment portfolio and create an Investment Policy Statement, which will incorporate the parameters and constraints that govern the management of the Client's investment portfolio. Advisor will make recommendations and coordinate the implementation of changes made to Client's portfolio needed to meet Client's goals.

Financial Independence Analysis - Advisor will utilize actuarial-based computer models to analyze additional savings and investments by Client necessary to achieve his or her financial independence goals. Advisor also will analyze the sensitivity of Client's goals to various rates of return and, if appropriate, assist with coordination of Client's savings plan, asset allocation and investment strategy recommended by Advisor.

Estate Planning Coordination and Analysis - Advisor will coordinate with Clients estate planning attorney in order to develop and implement a comprehensive estate plan. This plan may involve the implementation of wills, revocable living trusts, irrevocable life insurance trusts, family limited partnerships, durable powers of attorney, health care powers of attorney and other estate planning techniques. This type of planning normally requires significant involvement of Client's attorney and accountant to assure optimal implementation of the plan.

Business and/or Retirement Plan Analysis - For business owners, Advisor will assist in the development and method of funding an employees' retirement plan. Advisor will also assist a business owner in outlining a buy-sell agreement or other business arrangement in order to meet Client's business and personal financial goals upon retirement, which may or may not include the sale or contracting of or for a business continuation plan. This type of planning normally requires significant involvement of Client's attorney and accountant to insure optimal implementation of a business continuation plan.

Qualified & Non-Qualified Incentives Analysis - For owners and executives Advisor will provide unique approaches to recruiting and maintaining employees valuable to your organization. Advisor will evaluate and illustrate the differences between the two types of programs and provide analysis as to the availability based on compliance requirements and plan restrictions as to the most effective means of developing a key employee benefits arrangement. Advisor will outline the nuances of the various types of plans available and give anecdotal evidence as to the preferences based on a detailed survey of the Clients goals and objectives with due regard to the employees needs as well.

Public Benefits Consulting - Determine eligibility for those individuals who can, via advisor's direction, document eligibility for the VA Aid and Attendance benefit, and or various Medicaid entitlement benefit(s). Advisor will develop a comprehensive plan addressing the health, income, and net worth requirements to effectively obtain the VA award to assist with long-term care needs. Advisor will also affectively communicate eligibility requirements for Medicaid planning where applicable and collaboratively work with Elder, and Estate planning attorneys where applicable and council accountants as to the concepts and techniques used by the collaborative to effectively secure public benefits.

Employee Benefit Analysis - Advisor will thoroughly evaluate on current benefit(s) offerings including plan designs, eligibility, participation procedures, claims management including adjudication procedures for all benefits, data and census maintenance, provider availability, and the value proposition being offered by the current agent(s) of record. Advisor will further provide consultative surveys to current vendors for applicable service offerings for business and service model benchmarking. Advisor will also provide commentary regarding staff time and implementation of compliance requirements and or offer (PEO) Professional Employer Organization services under a separate arrangement. For corporate executive clients, Advisor will analyze available savings plans, stock options, restrictive stock agreements, retirement plans and other employee benefits. Advisor will also develop strategies to utilize these programs to the maximum extent possible in achieving Client's financial goals and will coordinate these employee benefits with Client's overall asset allocation and investment strategy.

Employment Service Offerings Analysis - Advisor will review Clients current cost of doing business as it relates to the departmental costs for *Human Resources, Payroll Administration, Employee Benefits Administration, and Risk Management*. Advisor will then evaluate clients' needs based on applicable Federal and State guidelines which services are of most and least importance based organizational structure, employment practices and associated liabilities known and unknown, (SIC) Standard Industry Classification, gross payroll volume, compliance with (ERISA) and other Health care reform laws, (OSHA) Occupational Safety and Health Act, the various (NCCI) National Council on Compensation Insurance classifications, and the promotion of safety Incentive programs as well as many other programs not mentioned above. Advisor will evaluate current procedures and determine if alternative means of providing these same services is achievable through other means more affordably.

IRC Section 125 Analysis - Client will supply Advisor with the necessary census and cost information necessary to provide a detailed itemized roster of savings outlining the benefits and associated liabilities involved in implementing and maintaining a 125 plan.

Voluntary Benefits Offering Analysis - Advisor will provide an outline of the benefits offerings available under current law. Advisor will also make recommendations as to the appropriate types of benefits that should be offered with due regard to the employer's base offerings, coordinate voluntary offerings to avoid premium cost overlapping and benefit integration, review any current offerings, and provide verifiable evidence to the appropriate determination of those offerings. Advisor will then develop a rigid (RFP) Request for Proposal guide lining the product offerings to insure the integrity of the participants. Advisor will then narrow the proposing vendors down into a best practices and carrier viability finalist.

Our success is a direct result of the relationships we build with our clients. Our goal is to provide personalized service with current financial knowledge to address clients' individual overall needs and financial goals. Once an in-depth financial review of the client is completed, The Art and Science of Successful Planning develops individualized asset allocation. We use a software application that utilizes modern portfolio theory to assist us. Often times, any account holdings not managed directly by the firm will be taken into consideration in order to maximize returns and minimize potential tax implications. Asset allocation among clients' portfolios is well diversified in order to reduce the inherent market risk of equity backed securities. The Art and Science of Successful Planning will create a portfolio based on the individualized IPS created during the initial phase of financial planning. Clients reserve the right to place reasonable restrictions on the types of investments used during this process based on risk tolerance. Individual ownership of assets will be retained by the client at all times.



## **Disciplinary Information**

Tyler G. Harrelson has been a Registered Representative since 1993, The Art and Science of Successful Planning, has been an Independent Registered Investment Advisor since 2001. Neither the RIA or Mr. Harrelson has any reportable disciplinary information to disclose.

## Other Financial Industry Activities and Affiliations

The Art and Science of Successful Planning is also a related company to Tyler G. Harrelson, PA also doing business as The Art and Science of Successful Planning. That company is independent and does not require clients to also be insurance clients.

Tyler G. Harrelson, CES, CLTC, CFS also holds a B.S. in the science of Risk Management and Insurance and many clients of the IA electively chose to also engage for insurance products for that reason and also for convenience. Mr. Harrelson offers those fixed insurance products for commission as that is in most instances the only compensation method available. Mr. Harrelson does however provide risk management consulting for a fee, which would be through the other company independent of The Art and Science of Successful Planning. Those products and services are as follows, but are not limited to the following:

Group and Individual Life Insurance, Group and Individual Disability Insurance, Group and Individual Dental Insurance, Group and Individual Ancillary Supplemental Insurances, (P.E.O.) Professional Employer Organizations, Fixed and Equity-Indexed Annuities, Group and Individual Long-Term Care Insurance, Medicare Part C, Medicare Supplemental, Part D Rx Insurance, and receives normal commissions for said insurance product placement. The Art and Science of Successful Planning is also a full lines agency offering both personal and commercial lines property and casualty insurances again those products and services are as follows, but are not limited to the following: Home Owners, Auto, boat, personal water craft, general liability, Worker's Compensation, professional liability, commercial auto, commercial dwelling, etc.

If a conflict exists with regard to the Financial Planning Agreement proper disclosure will be provided and the client is under no obligation to purchase products or services offered by The Art and Science of Successful Planning.

We use third-party advisers as part of our portfolio management. This is discussed in greater detail throughout the document.

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

As a company we strive to comply with all applicable laws, rules, and regulations governing our industry. Therefore, our Code of Ethics includes guidelines for professional standards of ethics and conduct, which Tyler G. Harrelson is also personally held accountable to in maintaining his professional designations. Our goal of maximum integrity is to protect our clients interests at all times and to demonstrate our commitment through our fiduciary duties, which are honesty, good faith, and prudent and fair dealing. Any and all persons associated with our company are expected to adhere strictly to firm guidelines, and to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies and procedures reasonably designed to prevent misuse or dissemination of material, non-public information about our clients, our client's dealings, there personnel, and anything else considered proprietary in nature to that client.

*Our privacy act notice is available upon request.*

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

Neither our company nor associated person has any material financial interest in client transactions beyond the provisions of financial planning outlined in this brochure.

### **Personal Trading Practices**

Our company or an associate of our company may buy or sell the same securities that may be recommended to a client in which an investment may have already existed. A conflict of interest may exist in such a case because the possibility to trade ahead of a client and potentially receive more favorable prices. To eliminate this potential conflict of interest, it is our policy that the client be provided proper disclosure if an investment conflict exists.

Subject to satisfying this policy and applicable laws, officers, directors and employees of The Art and Science of Successful Planning and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for The Art and Science of Successful Planning clients. Both Codes of Ethics are designed to assure that the personal securities transactions, activities and interests of the employees of The Art and Science of Successful Planning 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 Codes, The Art and Science of Successful Planning or individuals associated with The Art and Science of Successful Planning may buy or sell securities identical to those recommended to customers for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of The Art and Science of Successful Planning that no person employed by The Art and Science of Successful Planning may purchase or sell any equity security (excluding open-ended mutual funds) for a period of 24 hours prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefitting from transactions placed on behalf of advisory accounts. It is a general firm policy that equity trades by firm employees should be prescreened by the compliance officer. As these situations present a conflict of interest, The Art and Science of Successful Planning has established the following restrictions in order to ensure it meets its fiduciary responsibilities: 1. A member, manager, or employee of The Art and Science of Successful Planning shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No person of The Art and Science of Successful Planning shall prefer his or her own interest to that of the advisory client. The Art and Science of Successful Planning employees may take participation in block trades of large bond positions, normally as an aid to the firm in reaching a round lot for these purchases. 2. The Art and Science of Successful Planning maintains a list of all securities holdings for itself, and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed and approved on a quarterly basis by the Investment Committee (IC). 3. The Art and Science of Successful Planning emphasizes the unrestricted right of the client to decline to implement any advice rendered, except in situations where The Art and Science of Successful Planning is granted discretionary authority of the client's account. Usually clients' written wishes are honored. 4. The Art and Science of Successful Planning requires all individuals act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. 5. Any individual not in observance of the above may be subject to termination. Clients or prospective clients may request a copy of the firm's Code of Ethics or find it and download it off of our website.

## Brokerage Practices

Your assets are technically maintained in an account at a “qualified custodian”, generally a broker-dealer or bank. We recommend our clients use Pershing, TD Ameritrade Institutional, and Nationwide Securities all of which are registered broker-dealers, members FINRA/ SIPC, as the qualified custodian. We generally recommend iShares for 529 Plans. We are independently owned and operated and are not affiliated with any of these institutions. These custodians will hold your assets in a brokerage account and buy and sell securities when (we/you) instruct them to. While we recommend that you use any of these firms as custodian/broker, you will decide whether to do so and will open your account with our assistance by entering into an account agreement directly with them. The Art and Science of Successful Planning will assist in the new account opening process. We do not require clients to use a particular broker-dealer or other custodian selected by The Art and Science of Successful Planning. Even though your account is maintained at these 3 firms, we can still use other brokers to execute trades for your account as described below.

### How We Select Brokers/Custodians

The Art and Science of Successful Planning does not have the express authority to choose a particular broker/dealer on behalf of the client, our firm recommends using a custodian/broker who will hold your assets and execute transactions on terms that are, overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services

- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit us, as discussed below (see “Products and Services Available to Us”)

#### Your Brokerage and Custody Costs

For our clients’ accounts that Pershing or TD Ameritrade Institutional maintains, they generally charge you for custody services and then do not charge you for transactions or other fees on trades that they execute or that settle into your account. For some accounts, they may charge you a percentage of the dollar amount of assets, and those asset management fees and custody charges will be disclosed prior to committing to opening account. The asset-based fees applicable to the client accounts are generally negotiated based on the condition that our clients collectively maintain a total of at least \$25,000 of their assets in accounts at Pershing or TD Ameritrade Institutional. This commitment benefits you because the overall asset-based fees you pay are lower than they would be otherwise. In addition to asset-based fees, our custodians charge you a flat dollar amount for accounting, statements, annual 1099, or 5498 IRS notices as an annual fee ranging from \$25 to \$75 dollars on average depending on assets held, what types, and the total dollar amount of the account balance. Because of this, in order to minimize your trading costs, we have your custodian execute most trades for your account. We have determined that having the custodian execute most 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”).

Investnet Asset Management, and Orion Portfolio Solutions provide us and our clients with access to its institutional brokerage— trading, custody, reporting, and related services—many of which are not typically available to retail customers. Both custodians provide us some support services which help us manage or administer our clients’ accounts, while others help us manage and grow our business. The custodians support services generally are available on an unsolicited basis (we don’t have to request them) and at no charge to us as long as our clients collectively maintain asset balances that meet the TPMM requirements or fund company minimums were applicable.

Our custodians' institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through them include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Pershing and TD Ameritrade Institutional services described in this paragraph generally benefit you and your account accessing them through Investnet Asset Management, Inc. and/or Orion Portfolio Solutions.

Investnet Asset Management, Inc. and/or Orion Portfolio Solutions also make 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. They include investment research, both their own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained there. In addition to investment research, the custodians also make available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

The custodians also offer other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal and business needs
- Publications and conferences on practice management and Business succession

The availability of these services benefits us because we do not have to produce or purchase them. We don't have to pay for their services so long as we continue to collectively introduce or clients to their services and those clients maintain the account balance minimums. Beyond that, these services are not contingent upon us committing any specific amount of business to them in trading commissions or assets in custody. They are simply a way to add value as an incentive to recommend you maintain your account with Pershing TD Ameritrade Institutional, or Nationwide Securities based on our interest in receiving their 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.

Through a relationship with Crystal Capital Partners, LLC (“Crystal”) we may provide our qualified clients with customized private equity and hedge fund portfolios. Crystal specializes in building customized portfolios that help complement the existing holdings of client investments. With Crystal’s services, we will have access to top tier private equity and hedge fund managers, detailed analytics, reporting and comprehensive due diligence previously only available to the largest institutions. Most customized accounts will be invested with investment managers or investment funds through a series fund organized by Crystal. The investment managers and investment funds that we recommend will be selected from a list that has been developed by Crystal, based on its quantitative and qualitative research of the managers and funds. After a client approves the customized portfolio that we recommend, the client will invest in a series or portfolio of a fund that is managed by Crystal (“Crystal Fund”). The Crystal Fund is a private investment fund that has several segregated portfolios. Each portfolio is a separate pool of assets constituting a separate fund with its own investment objectives and policies.



### Additional Compensation

The Art and Science of Successful Planning is aware of the special considerations promulgated under Section 206(4)-3 of the Investment Advisers Act of 1940. As such, appropriate disclosures shall be made, and all applicable Federal and State laws will be observed. While The Art and Science of Successful Planning endeavors to always act in the best interest of the client, the firm's participation in costless educational events and programs is not solely based on cost or quality of custody which may inadvertently create a potential source of conflict by some opinion. In general, The Art and Science of Successful Planning receives no other compensation outside of fees derived in working with clients.

### Directed Brokerage

Due to the benefits received through participation in Envestnet and Orion Portfolio Solutions programs, it is favorable for the client to execute transactions through their IA Portfolio Manager. Participation in these programs affords clients the opportunity to receive benefits which would not otherwise be received if The Art and Science of Successful Planning did not offer investment advice. Mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors are made available to the client. In addition, clients may pay higher brokerage commissions since orders are not able to be aggregated to reduce transaction costs. Finally, although benefits received through participation in these programs may depend upon the amount of transactions directed to, or amount of assets custodied by either company, the client still receives advantageous trading execution tools it normally would not have access to if acting independently of The Art and Science of Successful Planning. While the purchase and/or sale of securities for client accounts is not aggregated, there may be times The Art and Science of Successful Planning deems it necessary to enter into "block trades." When placing orders for multiple clients with many shares per equity, it is in the best interest of the client to sell and/or buy equities in large quantities at a set rate. This promotes stable pricing of assets being traded in large quantities in order to continue providing sound management of all portfolios. Additionally, it speeds up the transaction time, as the IA is not entering trades by individual registration which could be time consuming potentially not exercising a best price dependent upon which client accounts had activity first or last in that trading day. Each client account is still managed separately in order to maintain the overall financial objective of each individual IPS. The Art and Science of Successful Planning always acts in the best interest of the client; aggregating client orders may pose positive or adverse effects in daily management of client accounts.

## Review of Accounts and Reports on Accounts

While the underlying securities within The Art and Science of Successful Planning's Portfolio Management client accounts are monitored, these accounts will be formally reviewed at least quarterly by Tyler G. Harrelson, CES, CLTC, CFS. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. Client portfolios and asset allocations are reviewed by the investment committees at the firms held by, and annually to quarterly depending on the client.

### Regular Reports Provided to Clients

#### ❖ Portfolio Management

In addition to the monthly statements and confirmations of transactions Portfolio Management clients receive from their broker-dealer, The Art and Science of Successful Planning can provide quarterly reports to clients consisting of internal rates of return (time weighted from inception, year to date, and previous quarter), positions, balances, additions/withdrawals, realized and unrealized gains and losses, cost-basis information, and interest/dividend information, at the clients request.

#### ❖ Money Manager Search and Monitoring

These client accounts will receive reports by private labeled from The Art and Science of Successful Planning, as contracted for upon inception of the client relationship.

❖ Consulting Service Consulting clients receive reports as agreed upon at the inception of the advisory relationship depending on the scope of service there may or not be any reporting.

## **Client Referrals and other Compensation**

We do not receive any compensation from any third party in connection with the providing of planning and consultation (advisory), nor do we compensate any person(s), entities, or corporations for client referrals.

## Custody

We do not have custody since the third-party adviser, rather than The Art and Science of Successful Planning, deducts advisory fees. We use various qualified custodians, Pershing, TD Ameritrade Institutional, iShares 529 Plans. Client funds and/or securities are held by “qualified custodians” as defined in the amended Rule 206(4)-2 of the Investment Advisers Act of 1940. As such, The Art and Science of Successful Planning does not provide clients with an audited balance sheet as a supplement to this disclosure brochure. Clients will receive account statements directly from their custodian at least quarterly. They will be sent to the email or postal mailing address provided to the custodian. Clients should carefully review those statements promptly when they receive them. We also urge clients to compare their custodians account statements to the periodic portfolio reports they receive from us. The Art and Science of Successful Planning will take steps to ensure advisory clients received account reports and/or statements directly from the qualified custodians holding client funds and/or securities.

## Investment Discretion

The Art and Science of Successful Planning usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. Investment guidelines and restrictions must be provided to The Art and Science of Successful Planning in writing and are also stated in the clients IPS.

## Voting Client Securities

The Art and Science of Successful Planning recognizes and adheres to the principle that one of the privileges of owning stock in a company is the right to vote on issues submitted to shareholder voting—such as election of directors and important matters affecting a company’s structure and operations. Where the power to vote in person or by proxy has been delegated, directly or indirectly, to the investment advisor, and in that case the investment advisor has the fiduciary responsibility for (a) voting in a manner that is in the best interests of the client, and (b) properly dealing with potential conflicts of interest arising from proxy proposals being voted upon. The policies and procedures of The Art and Science of Successful Planning (“the Advisor”) for voting proxies received for accounts managed by the Advisor are set forth below and are applicable if:

- The underlying advisory agreement entered into with the client expressly provides that the Advisor shall be responsible to vote proxies received in connection with the client’s account; or
- The underlying advisory agreement entered into with the client is silent as to whether or not the Advisor shall be responsible to vote proxies received in connection with the client’s account and the Advisor has discretionary authority over investment decisions for the client’s account (except in the case of Separate Account Managers); or
- In case of an employee benefit plan, the client (or any plan trustee or other fiduciary) has not reserved the power to vote proxies in either the underlying advisory agreement entered into with the client or in the client’s plan documents.

It is our general rule as a company to refrain from proxy voting as it has many compliance complexities and often times clients only formulate an opinion of the subject matter being voted on after-the-fact and are often times gathering information from unreliable sources, which can often times create a conflict of opinion and lead to unintended differences of opinion. Therefore, it is our general policy to note elect to participate in proxy voting for clients.

## Financial Information

The Art and Science of Successful Planning has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding. Since The Art and Science of Successful Planning does not collect fees in advance of 6 months or \$1,200, audited financial statements are not required at this time.

Moreover, through our financial planning agreement we do not require prepayment of more than \$500.00 in fees that would be advanced and unearned six months or more in advance. We also do not custody client funds or securities directly. We also maintain our State of Florida Net Worth criteria and are not impaired to full fill our planning commitment to the client.

## Requirements for State Registered Advisors

Nobody associated with The Art and Science of Successful Planning is compensated for advisory services from performance related fees.

None of our associated employees have any reportable arbitrations claims, self-regulatory, or any organizational proceedings or administrative proceedings.

None of the licensed individuals associated with The Art and Science of Successful Planning has any material relationship, percentage ownership, management capacity, or any material arrangement with any financial services organization or insurance entity outside of a normal agent capacity.

Refer to Part(s) 2B for background information on Tyler G. Harrelson, CES, CLTC, CFS. Currently, Tyler G. Harrelson is the sole investment advisor representative of the company. Below is his background information:

Tyler G. Harrelson

Year of Birth September 14th, 1971

*Formal Education Beyond High School:*

Institute of Business and Finance, La Holla, CA.....2006-2007  
Credential Earned (CES) Certified Estate and Trust Specialist

Institute of Business and Finance, La Holla, CA.....2006-2007  
Credential Earned (CFS) Certified Funds Specialist

Corporation for Long-Term Care, Newton, MA.....2004  
Credential Earned (CLTC) Certified in Long-Term Care

Florida State University.....1991-1993  
Degree Earned (B.S.) Bachelor of Science Risk Management  
and Insurance

*Business Background for Previous Five Years:*

The Art and Science of Successful Planning, Founder/President...2001 to Present

Omni Financial Services, *Registered Representative*.....1991-2001

Omni Employee Benefit Consultants, *President*.....2001-2005