

# Item 1: Cover Page

## Purpose Financial Planning, LLC

3208 N. Salk Road  
Arlington Heights, IL 60004

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

(847) 370-5017

Dated February 2, 2018

This Brochure provides information about the qualifications and business practices of Purpose Financial Planning, LLC, “PFP”. If you have any questions about the contents of this Brochure, please contact us at (847) 370-5017. 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.

Purpose Financial Planning, LLC is registered as an Investment Adviser with the State of Illinois. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about PFP is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the firm’s identification number 288823.

## Item 2: Material Changes

The following changes have been made to this version of the Disclosure Brochure:

- Item 4: The Advisor has added employee benefit plan services
- Item 5: The Advisor has added fee schedule associated with employee benefit plan services

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of PFP.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for our firm name or by our CRD number 288823.

You may also request a copy of this Disclosure Brochure at any time, by contacting us at (847) 370-5017.

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# Item 4: Advisory Business

## Description of Advisory Firm

Purpose Financial Planning, LLC is registered as an Investment Adviser with the State of Illinois. We were founded in April 2017. Daniel Kaibel is the principal owner of PFP. PFP currently reports no discretionary or non-discretionary Assets Under Management.

## Types of Advisory Services

### Portfolio Management Services

We are in the business of managing individually managed investment portfolios. Our firm provides portfolio management services to a client regarding the investment of client funds based on the individual needs of the client. During our data-gathering process and discussion, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background. From this discussion which includes education on historical markets performance and volatility an investment objective is determined for each account managed. The stated investment objectives are aggressive growth, growth, growth with Income, balanced or income focused. With this information we develop a client's personal investment policy statement with an asset allocation that matches this objective and create and manage a portfolio based on that policy and allocation. Account supervision is guided by the stated investment objective as well as tax considerations. In addition, clients may impose reasonable restrictions such as aligning investment choices with their own principles. Fees pertaining to our Portfolio management service are outlined in Item 5 of this brochure.

We will implement the portfolio with use of etf's, mutual funds or individual equities. We will rebalance the portfolio and make investment transactions as we deem appropriate considering the economy and market valuations. We will follow economic data such as GDP, and purchasing manager indexes as well as monitoring Government's monetary and fiscal policies. We will monitor market and sector valuations and use comparative valuation models among asset classes such as the FED model which compares earning yields to treasury yields. In our effort to stay on top of economic and market conditions we will access outside economists and market strategists. In our effort to find investment vehicles that may provide insight into good risk/reward opportunities we will speak with professionals such as portfolio managers. In addition, we may subscribe to outside sources that help us to gain information and insight into specific investment vehicles such as mutual funds and individual securities.

### Financial Planning

We provide financial planning services on topics such as retirement planning, risk management, college savings, cash flow, debt management, work benefits, and estate and incapacity planning.

Financial planning is an evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they affect and are affected by the entire financial and life situation of the client. Clients purchasing this

service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

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

- **Cash Flow and Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.
- **Charitable Planning:** For clients who wish to dedicate a portion of their financial resources to charitable giving, PFP will work with the client to develop tax-efficient giving strategies, such as donor advised funds or charitable trusts.
- **College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).
- **Employee Benefits Optimization:** We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.
- **Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

We always recommend that you consult with a qualified attorney when you initiate, update, or

complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

- **Financial Goals:** We will help clients identify financial goals and develop a plan to prioritize and reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.
- **Insurance Review:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile. A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance (“self-insuring”).
- **Investment Analysis:** This may involve developing an asset allocation strategy to meet clients’ financial goals and risk tolerance, providing information on investment strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.
- **Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, taking more risk with investments).

If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

- **Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based

in part on their “tax efficiency,” with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

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

### **Employee Benefit Plan Services**

Our firm provides employee benefit plan services to employer plan sponsors on an ongoing basis. Generally, such services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure and participant education.

In providing employee benefit plan services, our firm does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, “Excluded Assets”).

### **Wrap Fee Programs**

We provide a wrap fee program, which is outlined in detail within the Form ADV Part 2A Appendix 1.

## **Item 5: Fees and Compensation**

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

### **Portfolio Management Services**

Purpose Financial Planning LLC (PFP) offers our Portfolio Management Services to our clients who have employed us to produce a complete financial plan. Once the financial plan is completed and paid for we will charge our clients an advisory fee that is based on the market value of the assets under management. Our Portfolio Management Clients will then receive an updated financial plan annually at no charge. The advisory fees are calculated as follows:

Assets Under Management	Annual Advisory Fee
\$70,000 - \$100,000	1.30%

\$100,001 - \$250,000	1.20%
\$250,001 - \$500,000	1.00%
\$500,001 - \$750,000	0.90%
\$750,001 - \$1,000,000	0.80%
\$1,000,000 - \$2,500,000	0.70%
\$2,500,000 and Above	0.60%

\*Minimum of \$70k may be waived on a case by case basis.

The advisory fees are negotiable and are pro-rated and paid in arrears on a quarterly basis. The advisory fee is a tiered fee and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart, and applying the fee to the account value as of the last day of the previous quarter. No increase in the advisory fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement.

Advisory fees are directly debited from client accounts, or the client may choose to pay by check. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no rebate will be needed upon termination of the account.

## Financial Planning

PFP offers a complete financial plan to all clients on a fixed fee basis. Fees for this service include a fixed fee as outlined below, with \$500 due upon entering into the agreement. The remainder of the fixed fee is due upon completion.

In the event of early termination, any prepaid, unearned fees will be refunded to the client, and no further fees will be charged. Until the requested documents to produce the plan has been provided to PFP no financial planning fee is earned. However, once the client provides the requested documents by PFP there will be no refund and the balance of the fees will be due after PFP has had time to do analysis and produce the plan to the client.

**Complete Financial Plan = \$950 or \$1250.00**

- Cash Flow and Debt Management
- Charitable Planning
- College Savings
- Employee Benefits Optimization
- Estate Planning
- Financial Goals
- Insurance Review
- Investment Analysis
- Retirement Planning
- Tax Planning Strategies

\*For a detailed description of these services listed above, please see Item 4 of this Part 2A.

\*\* The \$950.00 fee is for clients willing to input their own financial information into the financial planning portal that is used and provided by PFP. Clients are still expected to provide their documents so that PFP can verify the information. The \$1250.00 is for clients who prefer to provide their documents and have PFP input the information into the financial planning software.

Financial Planning Clients who don't have assets managed by PFP can have their complete financial plan updated in the 2nd year for \$500 for clients willing to input information into financial planning software used and provided by PFP. For clients who prefer to provide their documents and have PFP input the information into the financial planning software the fee will be \$750.00

### **Financial Planning on a project basis = \$500.00**

PFP offers financial planning on a project basis to clients who would like to work with an adviser to address specific areas of concern within their financial situation. For Financial Planning on a project basis, half of the fee is due at the beginning of process and the remainder is due at the completion of the work.

The client may pick two of the following areas to address for this service:

- Cash Flow and Debt Management
- College Planning
- Charitable Planning
- Employee Benefits Optimization
- Estate Planning
- Financial Goals
- Insurance Review:
- Investment Analysis
- Retirement Planning
- Tax Planning Strategies

\*For a detailed description of these services listed above, please see Item 4 of this Part 2A.

\*\* For clients who want more than two areas of service PFP offers a complete financial plan described above.

### **Employee Benefit Plan Services**

<b>Account Value</b>	<b>PFP's Fee</b>
<b>\$0 - \$1,000,000</b>	0.50%
<b>\$1,000,001 - \$3,000,000</b>	0.40%
<b>\$3,000,000 and Above</b>	0.30%

PFP will be compensated for Employee Benefit Plan services according to the value of plan assets not to exceed 0.50% of total plan assets. This does not include fees to other parties, such as RecordKeepers, Custodians, or Third-Party-Administrators. Fees for this service are either paid directly by the plan sponsor or deducted directly from the plan assets by the Custodian on a quarterly basis, and PFP's fee is remitted to PFP. Fees are paid

quarterly, in arrears. The advisory fee is a tiered fee and is calculated by assessing the percentage rates using the predefined levels of plan assets as shown in the above chart, and applying the fee to the total value of plan assets as of the last day of the quarter. No increase in the advisory fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement. An agreement may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no rebate will be needed upon termination of the account.

## Other Types of Fees and Expenses

For clients that utilize our Investment Management Services, our fees are inclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. (See Form ADV Part 2A Appendix 1 - WRAP Brochure).

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

We do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

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

We do not offer performance-based fees.

## Item 7: Types of Clients

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

Our minimum account size requirement for investment management is \$10,000.

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

When clients have us complete an Investment Analysis (described in Item 4 of this brochure) as part of their financial plan, our primary methods of investment analysis are fundamental, technical, and cyclical analysis.

**Fundamental analysis** involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience, and expertise of the

company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

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

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

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

### **Passive Investment Management**

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

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

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

## **Material Risks Involved**

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

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

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

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

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

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

## Risks Associated with Securities

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

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

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

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

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

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

**Investment Companies Risk.** When a client invests in open end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which client's invest.

## Item 9: Disciplinary Information

### **Criminal or Civil Actions**

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

### **Administrative Enforcement Proceedings**

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

### **Self-Regulatory Organization Enforcement Proceedings**

PFP and its management have not been involved in legal or disciplinary events that are material to a client's or prospective client's evaluation of PFP or the integrity of its management.

## Item 10: Other Financial Industry Activities and Affiliations

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

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

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

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

# Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each client. Our clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm also accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

## Code of Ethics Description

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to clients.
- Competence - Associated persons shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matter shall reflect credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

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

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

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

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

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

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

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

# Item 12: Brokerage Practices

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

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

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

We currently receive soft dollar benefits by nature of our relationship with TD Ameritrade Institutional, Division of TD Ameritrade, Inc., member FINRA/SIPC.

### **2. Brokerage for Client Referrals**

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

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

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

## **The Custodian and Brokers We Use (TD Ameritrade)**

PFP participates in TD Ameritrade’s institutional customer program and may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between PFP’s participation in the program and the investment advice it gives to its clients, although PFP receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk

serving PFP participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to PFP by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by PFP's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit PFP but may not benefit its client accounts. These products or services may assist PFP in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help PFP manage and further develop its business enterprise. The benefits received by PFP or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, PFP endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by PFP or its related persons in and of itself creates a potential conflict of interest and may indirectly influence PFP's choice of TD Ameritrade for custody and brokerage services.

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

Generally, we do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion, regarding particular circumstances and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

## **Item 13: Review of Accounts**

Client accounts with the Investment Management Service will be reviewed regularly on a quarterly basis by Daniel Kaibel, President and CCO. The account is reviewed with regards to the client's investment policies and risk tolerance levels. Events that may trigger a special review would be unusual performance, addition or deletions of client imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per client's needs.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

PFP will not provide written reports to Investment Management clients.

## Item 14: Client Referrals and Other Compensation

We do not receive any economic benefit, directly or indirectly, from any third party for advice rendered to our clients. Nor do we, directly or indirectly, compensate any person who is not advisory personnel for client referrals.

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

## Item 15: Custody

PPF does not accept custody of client funds except in the instance of withdrawing client fees.

For client accounts in which PFP directly debits their advisory fee:

- i. PFP will send a copy of its invoice to the custodian at the same time that it sends the client a copy.
- ii. The custodian will send at least quarterly statements to the client showing all disbursements for the account, including the amount of the advisory fee.
- iii. The client will prove written authorization to PFP, permitting them to be paid directly for their accounts held by the custodian.

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

## Item 16: Investment Discretion

For those client accounts where we provide investment management services, we maintain discretion over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the client will execute a Limited Power of Attorney, which will grant our firm discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the client.

## Item 17: Voting Client Securities

We do not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

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

## Item 18: Financial Information

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

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

# Item 19: Requirements for State-Registered Advisers

## Daniel Kaibel

Born: 1960

### Educational Background

- 2008 – Bachelor in Biblical Studies, Moody Bible Institute

### Business Experience

- 05/2017 – Present, Purpose Financial Planning, LLC, President and CCO
- 03/2017 - 04/2017, Unemployed
- 03/2008 – 02/2017, Vantage Financial Partners, Chief Investment Strategist
- 06/2004 – 03/2008, student, Moody Bible Institute, and ministry volunteer
- 11/2002 – 05/2004, True North Mortgage, Mortgage Originator

### Professional Designations, Licensing & Exams

**CFP (Certified Financial Planner)®:** CFP® certificants must have a minimum of three years' workplace experience in financial planning and develop their theoretical and practical financial planning knowledge by completing a comprehensive course of study approved by CFP® Board. They must pass a comprehensive 2-day, 10-hour CFP® Certification Examination that tests their ability to apply financial planning knowledge in an integrated format. As a final step to certification, CFP® practitioners agree to abide by a strict code of professional conduct.

### Other Business Activities

Daniel Kaibel is not involved with outside business activities.

### Performance Based Fees

PFP is not compensated by performance-based fees.

### Material Disciplinary Disclosures

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

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

Purpose Financial Planning, LLC, nor Daniel Kaibel, have any relationship or arrangement with issuers of securities.

## **Additional Compensation**

Daniel Kaibel does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through PFP.

## **Supervision**

Daniel Kaibel, as President and Chief Compliance Officer of PFP, is responsible for supervision. He/She may be contacted at the phone number on this brochure supplement.

## **Requirements for State Registered Advisers**

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

## Purpose Financial Planning, LLC

3208 N. Salk Road  
Arlington Heights, IL 60004  
(847) 370-5017

Dated February 2, 2018

### Form ADV Part 2B – Brochure Supplement

*For*

#### **Daniel Kaibel - Individual CRD# 3170101**

President, and Chief Compliance Officer

This brochure supplement provides information about Daniel Kaibel that supplements the Purpose Financial Planning, LLC (“PFP”) brochure. A copy of that brochure precedes this supplement. Please contact Daniel Kaibel if the PFP brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Daniel Kaibel is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the identification number 3170101.

# Item 2: Educational Background and Business Experience

## Daniel Kaibel

Born: 1960

### Educational Background

- 2008 – Bachelor in Biblical Studies, Moody Bible Institute

### Business Experience

- 05/2017 – Present, Purpose Financial Planning, LLC, President and CCO
- 03/2017 - 04/2017, Unemployed
- 03/2008 – 02/2017, Vantage Financial Partners, Chief Investment Strategist
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### Professional Designations, Licensing & Exams

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# Item 3: Disciplinary Information

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

# Item 4: Other Business Activities

Daniel Kaibel is not involved with outside business activities.

# Item 5: Additional Compensation

Daniel Kaibel does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through PFP.

## Item 6: Supervision

Daniel Kaibel, as President and Chief Compliance Officer of PFP, is responsible for supervision. He/She may be contacted at the phone number on this brochure supplement.

## Item 7: Requirements for State Registered Advisers

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