



A State of Florida Registered Investment Advisor

## **Form ADV Part 2**

**February 21, 2017**

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This brochure provides information about the qualifications and business practices of Freedom Financial & Business Planning, LLC. If you have any questions about the contents of this brochure, please contact us at 727-527-0565 or [Erickson@freedomfinancialplan.com](mailto:Erickson@freedomfinancialplan.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. While the firm registered with the State of Florida, it does not imply a certain level of skill or training on the part of the firm or its personnel.

Additional information about Freedom Financial & Business Planning, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Click on the "Investment Adviser Search" link and then search for "Investment Adviser Firm" using the firm's IARD number, which is 151833.

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### **Material Changes**

**The firm has amended this document since the version issued on March 22, 2016 to update its fees; please see Section 2 – Fees and Compensation.**

***This brochure contains 16 pages and is not complete without all pages.***

## Section 1- Advisory Business

Freedom Financial & Business Planning, LLC was launched in 2009 to provide fee-only, hourly, fiduciary financial advice to people at all stages of life. We specialize in providing advice to business owners, and couples and individuals in their 40's-70's.

We work with clients on a **fee-only** basis, meaning we do not accept commissions of any kind. We feel this is the most objective way to provide financial advice.

We are a fee-only, project or hourly practice. FFBP does not sell products or manage money - we solely provide advice. We provide a wide range of comprehensive or a la carte services for individuals, families and business entities. Our services may be general in nature, or focused on particular areas of interest or need, depending upon each client's unique circumstances.

We work with clients on a **fiduciary** basis, meaning our only loyalty is to our clients – not a brokerage firm or a mutual fund company. We feel this is the best way to provide financial advice.

Freedom Financial & Business Planning, LLC receives approximately 65% of its fees from hourly-based *financial* advice consultations (on matters not involving securities, on more than an occasional basis) and approximately 35% of its fees from hourly-based *investment* advice consultations. To reiterate, about 1/3 of its fees come from providing investment advice (which may include advice on asset allocation and investment selection) and about 2/3 of its fees come from providing what it refers to as “financial advice” (which may include advice on income and expense planning, tax planning, risk management, retirement planning, estate planning and college funding).

Regarding the investment advice process, first, we gather information about the client's personal financial situation and then conduct a meeting with the client to clarify the client's personal financial information and determine the client's specific needs, objectives, goals and tolerance for risk. Then, we recommend a proper asset allocation based on the client's personal financial situation. Then, we recommend specific investments to fill out the recommended asset allocation. Next, we recommend that the portfolio be maintained by rebalancing about annually and/or making adjustments as needed. The engagement is concluded upon completion of these recommendations. The client may re-engage us as needed. Periodic reviews are recommended and it is the client's responsibility to initiate these reviews.

Regarding the financial advice process, first, we gather information about the client's personal financial situation and then conduct a meeting with the client to clarify the client's personal financial information and determine the client's specific needs, objectives, goals and tolerance for risk.

Then, we analyze the client's current financial situation and possible future scenarios, when appropriate. Next, we present a summary of significant observations, assumptions and recommendations in each area we were engaged to provide advice. The engagement is concluded upon completion of this presentation. The client may re-engage us as needed. Periodic financial reviews are recommended and it is the client's responsibility to initiate these reviews.

## Section 2 – Fees and Compensation

Freedom Financial & Business Planning, LLC provides bundled advisory programs that are fee-based only. The Firm also provides services charged by an hourly rate with as-needed financial planning and investment advice services.

Fees for hourly-based financial planning and investment advice services are \$200 per hour. Fees for bundled advisory programs range from \$750-\$3000. No performance related fees or asset management fees are charged. Hourly fees are billed in six minute increments. Projects spanning more than three months will be billed quarterly. Fees are not collected for services to be provided more than six months in advance. Freedom Financial & Business Planning, LLC does not take custody of client funds or securities, nor does it accept or retain proxy voting authority over any client account. Fees are negotiable at the sole discretion of the advisor and can be waived or reduced.

The Firm offers the following packaged advisory services in addition to regular hourly services:

### **Financial Physical:** *Real-Time Planning and Recommendations to Get Your Financial Life on Track*

Advance Analysis + 2 hour session: \$750

### **Annual Advisory Program**

- Annual Review of your goals, financial profile, financial plan and investments. Recalculation, if necessary
- Personal conference call to gather and share additional information and changes in goals, if any
- In-person consultation, and a separate 3-6 month later telephone conference call with further ideas, suggestions and written recommendations concerning all aspects of personal finance including re-balancing of investments, if warranted
- Complimentary “Any-Friday” email question/answer service
- Email or written alerts when legislation, IRS or other events occur that may affect your financial plan
- 25% discount on additional hourly services

\$1,500 by Dec. 31 for the coming year or \$800 Q1 and \$800 after annual review.

## Continuous Service Program

- All Annual Advice & Review Program benefits
- Full time, business hours access by email or phone for questions (up to one billable hour per quarter including research time)
- Money manager/Broker three-way conference call (if requested)
- Intervention assistance with bank, insurance company, credit card company, or securities custodians to help with problem resolution (one, up to one-hour intervention per year)
- Quarterly reviews and summary reports of investment performance (duplicate statements required), asset allocation, and profile updating including a personal meeting or conference call
- Complimentary one-hour training session via phone on software, website, topic or issue to facilitate your use/knowledge (within our expertise only)
- Additional annual billable hours at 50% of rate
- Up to one-hour annual complimentary telephone advice for an immediate family member to include parents and children (excludes grandchildren who can use the discount billing rate up to 5 hours)

\$3,000, payable \$750 quarterly in arrears. This service may start at any calendar quarter of the year.

Freedom Financial & Business Planning, LLC requires a deposit for initial engagements in the amount of the lesser of \$500 or half of the lower end of the estimated fee range. The balance of fees due is payable immediately upon presentation of the advice to the client. For each engagement, proposed services and an estimated fee range are detailed in the written service agreement.

Either party may terminate an engagement upon written notice within five (5) days of signing the service agreement, at which time no fees are due. If the client terminates the engagement after this date, the client is responsible for any fees already incurred.

Fees paid to Freedom Financial & Business Planning, LLC for financial advice services are completely separate from the fees and expenses charged by mutual fund or brokerage companies and their portfolio managers. The client is encouraged to read each prospectus before investing. The client may also incur transaction costs or administration fees from broker-dealers, trust companies or other service providers. The client is encouraged to obtain a complete schedule of fees from each service provider prior to entering into any engagement. Freedom Financial & Business Planning, LLC does not receive any portion of these fees. We do not receive commissions or third-party payments of any kind. Our only compensation is hourly fees paid directly by clients.

### **Section 3 – Performance-Based Fees and Side-By-Side Management**

Freedom Financial & Business Planning, LLC does not charge fees based on a share of capital appreciation of the funds of an advisory contract, also known as performance-based fees. We also do not provide ongoing investment management services, so issues related to side-by-side management are not applicable.

### **Section 4 – Types of Clients**

Freedom Financial & Business Planning, LLC provides its services primarily to individuals. We do not require minimums as to income, assets, net worth, and length of engagement, revenues generated or other conditions for engaging our services.

### **Section 5 – Methods of Analysis, Investment Strategies and Risk of Loss**

If Freedom Financial & Business Planning, LLC is engaged to provide investment advice, first, we gather information about the client's personal financial situation and then conduct a meeting with the client to clarify the client's personal financial information and determine the client's specific needs, objectives, goals and tolerance for risk. We employ a fundamental, long-term, buy-and-hold philosophy in regards to investment advice. We favor a passive approach to investing, but do suggest managed funds as appropriate to the client's needs and risk tolerance.

Then, we recommend a proper asset allocation based on the client's personal financial situation. We make asset allocation and investment policy decisions using our best judgment to help the client achieve their overall financial objectives and goals while minimizing risk exposure. We believe that the appropriate allocation of assets across diverse investment categories (i.e. stock vs. bond, foreign vs. domestic, large cap. vs. small cap., high quality vs. high yield, etc.) is the primary determinant of portfolio returns and is critical to the long-term success of a client's financial objectives and goals. Then, we recommend specific investments, primarily low-cost, no-load, index investments, to fill out the recommended asset allocation. Next, we recommend that the portfolio be maintained by rebalancing about annually and/or making adjustments as needed.

While we believe our investment strategy is designed to potentially produce the highest possible return for a given level of risk, it cannot guarantee that an investment objective or goal will be achieved. Some investment decisions made by us may result in loss, which may include the original principal amount invested. The client must be able to bear the various risks involved in investing, which may include market risk, liquidity risk, interest rate risk, currency risk or political risk, among others.

Low-cost, no-load, index investments have the potential to be affected by tracking error risk, which is defined as a deviation from the stated benchmark index.

## **Section 6 – Disciplinary Information**

Neither Freedom Financial & Business Planning, LLC, nor any of its personnel have been the subject of a reportable legal or disciplinary event.

## **Section 7 – Other Financial Industry Activities and Affiliations**

Neither Freedom Financial & Business Planning, LLC nor any of its personnel are affiliated with or maintain a material relationship with another financial industry entity. Our policies require that we conduct business activities in a manner that avoids actual or potential conflicts of interest between the firm, personnel and the client, or that may otherwise be contrary to law. We will provide disclosure to the client, prior to and throughout the term of an engagement, of any conflicts of interest which will or may reasonably compromise our impartiality or independence.

Freedom Financial & Business Planning, LLC is a member of NAPFA and the Garrett Planning Network.

## **Section 8 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Freedom Financial & Business Planning, LLC has adopted a code of ethics issued by the CFP Board that sets forth the basic policies of ethical conduct for all associated persons of the firm. We accept the obligation not only to comply with the mandates and requirements of all applicable laws and regulation, but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities. We will be happy to provide a copy of our code of ethics to any client or prospective client, upon request.

Neither Freedom Financial & Business Planning, LLC nor any of its personnel are authorized to recommend or effect a transaction for a client involving any security in which the firm or a related party has a material financial interest, such as in the capacity as an underwriter, advisor to the issuer, etc. Additionally, we are prohibited from borrowing from or lending to a client, unless that client is an approved financial institution or is an immediate family member. In such instances, authorization for the loan must be granted in advance and documented in writing.

At times personnel and related parties may hold positions in investments that are also recommended to the client. We may make recommendations or take actions with respect to investments that may differ in the nature or timing from recommendations made to, or actions taken for, other clients or personnel. However, at no time will the personnel or any related party receive preferential treatment over the client. Records of all transactions are maintained as required.



## **Section 9 – Brokerage Practices**

Freedom Financial & Business Planning, LLC is not affiliated with any bank, custodian or brokerage firm. If we are engaged to provide investment advice, we will offer to use the service provider with whom the client's assets are currently maintained. If the client prefers to use a new service provider, we will recommend one based on the need, overall cost and ease of use for the client.

Our policy is to restrict any non-cash compensation, or soft dollars, that we may receive from a service provider to only that which enhances our ability to render quality advice and service to the client. Although we may recommend one or more service providers to the client, we derive no special benefit from doing so, nor do we "pay up" to receive additional services.

The only compensation we receive is in the form of hourly fees paid directly by the client. Therefore, we do not receive any additional compensation when the client engages a recommended brokerage firm or other service provider.

We do not require or engage in directed brokerage involving our accounts. We recognize our obligation in seeking "best execution" for our clients; however, it is our belief that the determinative factor is not always the lowest possible cost, but whether the selected service provider's transactions represent the best qualitative execution while also taking into consideration the full range of services provided. Therefore, we will seek services involving competitive rates, but that may not correlate to the lowest possible rate for every transaction. We periodically review our policies regarding recommending service providers, in light of our duty to seek "best execution".

## **Section 10 – Review of Accounts**

Freedom Financial & Business Planning, LLC does not provide continuous monitoring of its financial planning and investment advice services. Periodic reviews are recommended and it is the client's responsibility to initiate these reviews. We remind the client to notify us of any changes to their personal financial situation.

## **Section 11 – Client Referrals and Other Compensation**

Freedom Financial & Business Planning, LLC does not receive, nor does it pay, any fees for client referrals.

## **Section 12 – Custody**

Freedom Financial & Business Planning, LLC does not take custody of client cash, bank accounts or securities. The client's cash, bank accounts and securities will be maintained by unaffiliated, qualified custodians, such as banks, brokerage firms, mutual fund companies and transfer agents.





The client will receive account statements directly from their service provider. These statements are typically provided on a monthly or quarterly basis or as account transactions occur.

We will not ask for, nor accept, any of the client's account access information, such as username and/or password, even for the accommodation of the client or the client's legal agent.

Firm personnel will not act as trustee for, or have full power of attorney over, a client account, unless as a co-trustee of an immediate or incompetent family member.

### **Section 13 – Investment Discretion**

Freedom Financial & Business Planning, LLC does not provide discretionary investment management services, so issues related to investment discretion are not applicable.

### **Section 14 – Voting Client Securities**

Freedom Financial & Business Planning, LLC does not vote client securities. The client will maintain responsibility for directing the manner in which proxies are voted, as well as all other elections relative to mergers, acquisitions, tender offers or other events pertaining to the client's investments. The client will receive their proxies and other solicitations directly from the custodian or transfer agent for their investments.

### **Section 15 – Financial Information**

Due to the nature of our services, an audited balance sheet is not required, nor included in this disclosure document. Freedom Financial & Business Planning, LLC does not have any financial conditions that require further disclosure.



**Part 2A Appendix 1 – Wrap Fee Program Brochure (Not Applicable)**

Freedom Financial & Business Planning, LLC does not sponsor a wrap fee program, so issues related to a wrap fee program are not applicable.



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## **Part 2B – Brochure Supplement (Advisory Personnel)**

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## **EDUCATION AND BUSINESS EXPERIENCE**

A Freedom Financial & Business Planning, LLC advisor who renders investment advice to clients must have a master's degree, relevant financial planning and investment advisory experience and be a CERTIFIED FINANCIAL PLANNER™ practitioner (CFP®) in good standing with the Certified Financial Planner Board of Standards, and must meet the examination and/or experience requirements of those jurisdictions in which they provide investment advisory services.

## **EDUCATION AND BUSINESS BACKGROUND**

### **Name:**

Maria T. Erickson, CFP® (Born 1964)

### **Title:**

Principal

### **Education:**

Certificate in Financial Planning - Boston University

MBA - University of Central Florida (1990)

BA – Communications - Southern Illinois University (1985)

### **Experience:**

Principal - Freedom Financial & Business Planning, LLC (2009-Present)

SVP, TNS Financial Services Practice (1994-2008)

Principal, Business Visions, Inc. (Small business consulting) (1992-2004)

Analyst, Salomon Brothers (1992-1994)

The principal is a member of the Garrett Planning Network, an international network of independent, fee-only financial advisors.

## 1. CFP® Certification Requirements

**Education:** CFP® professionals must develop their theoretical and practical financial planning knowledge by completing a comprehensive course of study at a college or university offering a financial planning curriculum approved by CFP Board. Other options for satisfying the education component include submitting a transcript review or previous financial planning-related course work to CFP Board for review and credit, or showing the attainment of certain professional designations or academic degrees.

**Examination:** CFP® practitioners must pass a comprehensive examination that tests their ability to apply financial planning knowledge in an integrated format. Based on regular research of what planners do, the exam covers the financial planning process, tax planning, employee benefits and retirement planning, estate planning, investment management and insurance.

**Experience:** CFP® professionals must have three years minimum experience in the financial planning process prior to earning the right to use the CFP® certification marks. As a result, CFP® practitioners possess financial counseling skills in addition to financial planning knowledge.

**Ethics:** As a final step to certification, CFP® practitioners agree to abide by a strict code of professional conduct, known as CFP Board's Code of Ethics and Professional Responsibility that sets forth their ethical responsibilities to the public, clients and employers. CFP Board also performs a background check during this process, and each individual must disclose any investigations or legal proceedings related to their professional or business conduct.

Once certified, CFP® practitioners are required to maintain technical competence and fulfill ethical obligations. Every two years, they must complete a minimum 30 hours of continuing education to stay current with developments in the financial planning profession and better serve clients. Two of these hours are spent studying or discussing CFP Board's Code of Ethics or Practice Standards. In addition to the biennial continuing education requirement, all CFP® practitioners voluntarily disclose any public, civil, criminal or disciplinary actions that may have been taken against them during the previous two years as part of the renewal process.

### **Disciplinary Information**

Neither Freedom Financial & Business Planning, LLC nor any of its personnel have been the subject of a reportable legal or disciplinary event.



### **Other Business Activities**

Maria Erickson is a member of the Garrett Planning Network, an international network of independent, Fee-Only financial advisors. Maria consults with financial planner members of the Garrett Planning Network to help them start and run Fee-Only, hourly financial planning firms.

The abovementioned other business activities do not present material conflicts of interest for the financial planning and investment advice services that are provided by Maria Erickson as the Principal of Freedom Financial & Business Planning, LLC.

### **Additional Compensation**

Neither Freedom Financial & Business Planning, LLC nor any of its personnel accept or receive additional economic benefit (i.e. sales awards or other prizes) for providing advisory services to clients.

### **Supervision**

Maria Erickson serves in multiple capacities the firm: Principal, Financial Planner and Investment Adviser as a sole practitioner.

## PRIVACY POLICY

Freedom Financial & Business Planning, LLC understands that you have entrusted our firm with your personal and financial information and it is our mission to maintain that trust. Our privacy policy applies to “consumers” who are current or former clients of our firm.

We only collect information to help better understand your personal financial situation, provide appropriate recommendations and level of service or to assist in opening an account when called upon. The information we collect may include name, address, phone, email, date of birth, social security number, income tax bracket, financial data and information relative to your investment experience and goals.

We do not sell personal information to anyone. We protect the security and confidentiality of the data we collect and do not disclose personal information to third parties except in the noted limited situations.

We may need to disclose information to companies such as financial institutions or firms that we engage to assist in managing a portfolio, executing a transaction, printing and/or mailing statements, providing audit services, acting in a custodial capacity to your account, etc. We have written agreements with these firms that prohibit them from using your information for their own purpose. We limit their use of information to the performance of the specific service requested and we evaluate their services as necessary.

Our firm may be required to disclose or report personal information in certain circumstances where we believe in good faith that disclosure is required by law or regulation, such as during the normal course of a compliance examination, authentication checks and risk control measures or audits.

Outside of these exceptions we will not share your personal information with third parties unless you have specifically asked us to do so.

We maintain physical, electronic and procedural safeguards to protect your personal information. We conduct ongoing reviews to protect personal information and make every effort to keep your information accurate and up to date. If you identify an inaccuracy in your personal information or need to make a change to the information we maintain, please contact us so that we may promptly update your records to better serve you.

We will provide notice of changes in our information sharing practices. If at any time in the future it is necessary to disclose any of your personal information in a way that is inconsistent with this policy, we will provide advance notice of the change so that you will have the opportunity to opt out of such disclosure.





**THANK YOU**

Thank you for placing your trust in the firm. As fiduciaries we strive to act in good faith and in your best interest to help you achieve your financial goals!

Sincerely,

*Maria Erickson*