

Item 1 – Cover Page

Advitica Financial Planning LLC

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www.adviticafp.com

This brochure was last updated on January 1, 2020

This brochure provides information about the qualifications and business practices of Advitica Financial Planning LLC. If you have any questions about the contents of this brochure, please contact us at 360-292-9314. 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 Thomas B. McLean also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Advitica Financial Planning LLC is 116052. The individual CRD number for Thomas B. McLean is 2262638.

Registration with the SEC and other state securities authorities as a registered investment adviser does not imply a certain level of skill or training.

If you have any questions about the contents of this brochure, please contact Thomas B. McLean, Firm Principal and Chief Compliance Officer, who is responsible for Advitica Financial Planning LLC's regulatory requirements, at 360-292-9314.

References in this brochure to "our firm" or "Advisor" or "Advitica" are references to Advitica Financial Planning LLC.

Item 2 – Material Changes

In this Summary of Material Changes, we discuss only the material changes since the last annual update of this Brochure, which was last updated on January 1, 2019. We have had no material changes:

Copies of this brochure may be requested by contacting Tom McLean, Principal, at 360-292-9314 or tom@adviticafp.com. Our Brochure is also available on our web site www.adviticafp.com free of charge.

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Item 4 – Advisory Business

Firm History and Firm Ownership:

Advitica Financial Planning LLC is a firm offering comprehensive financial planning and investment advisory services. Thomas B. McLean is the sole owner of the business, and he has worked at the firm since August 2018. The firm was formerly called A.L. Rhodes Personal Financial Advisors LLC. The firm name changed to Advitica Financial Planning LLC in November 2018.

Prior to his work at Advitica, Mr. McLean worked at Vestory LLC as an Advisor (2017-18), NR Smith and Associates, PS as the Director of Financial Planning (2014-17) and Accredited Investors as a Wealth Manager (2012-14).

Types of Services Offered:

Financial planning is at the core of our business model. Advitica Financial Planning LLC offers financial planning to all clients, covering cash flow, taxes, retirement planning, investment planning, charitable gift planning, insurance review, and estate planning or as a limited engagement covering specific areas of a client's financial life. Clients may elect to be served by short-term assignment (Hourly Consultation) or on a continuous basis. Investment plans are often requested as part of Hourly Consultation services, and investment management is an integrated part of Comprehensive Financial Management in addition to financial planning. These two levels of service are defined more completely in this section and also in Section 5, Fees and Compensation.

Financial Planning:

The financial plan is a written plan that includes review of current assets and resources, and our opinion of financial preparedness for meeting financial goals like retirement, education, and quality of life enhancements. The initial plan and follow-up annual financial reviews provide clients with specific tasks to carry out in respect to improving or maintaining their financial situation. Financial planning is a process that takes place over the years of our professional relationship. Here are elements that we typically cover, though each plan is unique to the clients' needs:

- Making a plan for meeting lifestyle goals. Cash flow planning to achieve a balance of spending vs. saving.
- Reviewing and monitoring tax implications with the aim of minimizing taxes currently and during retirement.
- Evaluating preparedness and providing input for improving the strength and resilience of financial independence or retirement.
- Planning cash flow for a client's retirement years to guide spending within the clients' means, which may help the client feel confident to spend on affordable lifestyle goals.

- Determining the optimal time to take Social Security.
- Development of a coordinated investment plan designed to meet a client's needs for immediate or future cash flow. The investment plan is based on a clients' goals and risk tolerance.
- Insurance review: Making contingency plans for untimely death or disability including long term care.
- Review estate plan documents and beneficiary designations to make sure they align with the clients goals. Help clients understand how the estate plan works.
- We welcome the opportunity to coordinate with clients' tax advisor, attorney, and insurance agents, and we can recommend advisors in these areas as needed.

Clients are provided with a written financial plan. Generally the financial plan provides a long-term view of how client resources may project out into the future. The purpose of the projection is to make a framework for recommendations for current year decision-making. We use our best efforts to make accurate projections to provide clients with an estimate of future growth in net-worth and income. All tax sensitive reports are provided to you as estimates of future income tax and/or estate tax liabilities. These tax sensitive reports are based on current federal and applicable state laws regarding taxation. Federal and State Tax Laws are subject to change and interpretation. All reports, financial statement projections, tax liability estimates and analysis are intended exclusively for use in developing and implementing your financial plan. In view of this limited purpose, un-audited data is collected and used to produce your financial plan, therefore, any report, financial statement or analysis is to be considered un-audited as well. Accordingly, you should understand that such financial statements cannot be used as a representation of wealth, to obtain credit, or for any other purpose, other than developing a financial plan. We will not audit (examine), review or compile such statements and accordingly, we will not express an opinion or other form of assurance on these financial statements, including the reasonableness of assumptions and other data on which any financial statements or projections are based.

There will be differences between projected estimates and the actual results of plan, because events and circumstances frequently do not occur as expected. Investment returns in particular are volatile and the probability of estimates coming close to actual results decline with a reduction in the investment holding period. Advitica Financial Planning LLC does not in any way infer that the investment returns will be similar to estimates projected in your financial plan. The estimates are forecasts determined by applying estimates based on the historical and projected returns of the various asset classes. These estimates do not guarantee the future results of these asset classes or that your investments will be similar. The financial plan is highly dependent on certain economic assumptions about the future.

Advitica can model variations in key assumptions upon your request. The financial plan assumptions and reports are primarily a tool to alert clients to certain possibilities. The reports are not intended to nor do they provide any guarantee about future events including an

individual's investment returns. The financial plans provided for some of our clients do not address all potential aspects of financial planning. Typically our plans address retirement planning, investment planning, college funding, and estate planning. Risk management issues such as life, health, auto and homeowner's liability, disability, and long-term care insurance are not always addressed in every financial plan, and you are encouraged to ask specifically about these issues. Our financial plans are not intended to nor should they be considered to be advice about law or your legal rights and responsibilities, accounting or tax planning, the avoidance of tax penalties or interest or preparation of your tax return. You are encouraged to seek competent legal and tax advice before implementing any recommendation made in a written financial plan.

Types of Services Offered: Investment Planning

Advitica Financial Planning LLC will evaluate pre-existing investments that a client has prior to engaging our firm's services. We construct investment plans using no-load mutual funds, exchange traded funds and other low-cost investment vehicles, including certificates of deposit, and occasionally individual bonds. The advisor does not recommend individual stocks, options, or derivative-type investments, though these may be kept if they are pre-existing in the client's portfolio or have substantial gains which may take some time to prudently diversify and continue to meet a client's needs. Our intent is to coordinate an asset allocation plan based on the client's entire portfolio, across various types of accounts, including non-retirement accounts, IRAS, 401(k), 403(b) or other qualified retirement plan accounts. See [Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss](#) for more detailed information.

Advitica delivers services based on the following programs:

1. Comprehensive Financial Management - on-going financial management where your fee is based upon a percentage of assets under our management.

Comprehensive Financial Management Clients are served continuously from year to year as long as the Advisory Services Agreement is in force. Comprehensive Financial Management clients receive both Financial Planning and discretionary Investment Management. Financial planning recommendations and the investment plan are developed in the first months of our relationship. Initial recommendations are completed when delivered and used for current-year decision-making. Financial plans are reviewed once a year based on the clients' changed circumstances and goals. Not all aspects of the initial plan will be updated.

Investment Management is performed on a **discretionary basis**. This means that after the initial plan is developed, presented and approved by you, we will carry out the investment plan in accordance with the written Investment Policy Statement that you must authorize and sign as part of the approval process. We will make investment trades on your behalf, monitor performance and asset allocation, rebalance the plan as market changes create imbalances, tax opportunities arise, and/or cash is needed for client expenses. Investment "discretion" means that once we agree on the investment policy, Advitica has the authority to make transactions in your account without consulting with you. We will report performance to you annually, or upon your request. However, we caution clients against focusing on performance earned over time periods shorter than 12 months.

Because we work with your investment accounts year round, we are in a position to perform services that can mitigate income taxes on your investments, including "Asset Location" which has the objective of minimizing taxes on investment income. We also manage taxation of investments by offsetting capital gains against capital losses when in our opinion it is in your long-term best interest. Capital gains loss harvesting opportunities come about in certain market situations, and are not always available.

Charles Schwab & Co, Inc. serves as our custodian for client investment accounts. As custodian, Charles Schwab provides the structure for buying, selling, and holding investments, disbursing cash to clients, and making administrative changes to clients' accounts. **Under no circumstances are client moneys commingled with other client moneys or with our business accounts.** You will receive monthly account statements from Charles Schwab to keep you posted on changes to your account values. Investment transactions that take place at Schwab are the source of information for all the investment reports prepared by Advitica Financial Planning LLC.

Clients may restrict types of investments in their investment plans if they wish. If we do not believe we can provide a valuable service with such restrictions, the client will be informed in advance or as soon as we determine results compared to our more typical investment plans.

As of December 31, 2019 assets under discretionary management total about \$13.4 million and no non-discretionary assets.

2. Financial Planning by Consultation - based on compensation paid by Hourly Fees

For Hourly Consultation Clients, we perform financial planning services, including an investment plan if requested by the client. These services are most often short-term in nature. The client defines the objectives for the financial planning engagement, then the planner prepares and presents the written plan. A client approaching retirement might ask us to review their preparedness for retirement and determine whether their desired retirement date is feasible. We may also be asked to include an investment plan review or other specific project as part of the assignment. The client is responsible for implementing the financial plan though we provide instructions or a task list for doing so. The engagement is complete when the client has accepted the plan. Advitica does not monitor implementation of the plan. Client must return for services in the future in order for Advitica to monitor the plan. Advitica may suggest a schedule for followup appointments. However, Advitica is under no obligation to remind the client to return for review.

In regard to investment plans, it is not necessary for a client to hold assets at any specific brokerage institution. We request copies of the client's existing financial account statements and develop an investment plan based on the investment choices available through employee plans and brokerage firms the client currently uses.

Clients are responsible for implementing the Investment planning recommendations for Hourly Consultation. **This means our firm does not place any investment trades in the client's behalf.** Instead, the advisor recommends the initial portfolio in a written plan.

Item 5 – Fees and Compensation

Fees Paid to Our Firm:

Fee Schedule:

Fees are calculated as a percentage of assets under management. These fees are billed quarterly in advance, based on the assets under management as of the last day of the previous three-month period. Our fee schedule is:

Value of Portfolio under Management	Quarterly fee	Equivalent to Annual fee of:
Up to \$1,000,000	.225%	0.90%
Next \$1,000,000 to \$2,000,000	.20%	0.80%
Next \$2,000,000	.175%	0.70%

Legacy clients may have a different fee structure. Certain clients may negotiate a lesser fee based on certain circumstances.

Minimum Fee: \$5,000

Clients paying the \$5,000 minimum fee with portfolios valued less than \$500,000 will pay an effective annual fee rate greater than the schedule shown above. At our sole discretion, we may waive the stated account minimum, negotiate or charge a lesser management fee based upon certain criteria (i.e., anticipated future earnings capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, preexisting clients, etc.).

Our fees include both investment management and financial planning services. Each quarter, fees will be deducted directly from your accounts under our management. **A quarterly bill will be mailed to you indicating the amount withdrawn to pay fees.** You may pay by check or by fee deduction directly from your accounts under our management. In all instances, we will send you a written invoice, including the fee, the formula used to calculate the fee, the time period covered by the fee, and, if applicable, the amount of assets under management on which the fee was based. We will send these to you concurrent with the request for payment or payment of our advisory fees. We urge the client to compare this information with the fees listed in the account statement.

Clients may cancel a new advisory agreement without penalty by providing written notice of such cancellation to Advitica Financial Planning, LLC within five (5) business days of the date of signing the agreement. Please note that work cannot begin until expiration of this waiting period. Thereafter, either party may terminate the agreement without penalty upon 30 day written notice to the other party. Upon termination of any account, Advisor will prepare a final bill based on the date of termination and refund the portion of fees owed to the client.

We believe that the charges and fees offered within our program are competitive with programs available through other firms offering a similar range of services; however, lower fees for comparable services may be available from other sources.

Other Costs Involved

In addition to our advisory fee shown above, you are responsible for paying fees associated with investing for your account. These fees include:

- Management fees or operating expenses for ETFs and mutual funds. These are fees charged by the managers of the ETF or mutual fund and are a portion of the expenses of the ETF or mutual fund. These fees are identified in each fund's prospectus, and are indirect expenses.
- Brokerage costs and transaction fees for any securities or fixed income trades. These are generally charged by your custodian and/or executing broker.

Additional information about brokerage costs and services is provided in [Item 12: Brokerage Practices](#).

Potential Conflicts of Interest Concerning Fees Based on Percentage of Asset Under Management:

Our compensation is based on the amount of your assets which we have under management. This method of compensation creates conflicts when our compensation could be enhanced based on our advice. These include any situations that would increase the assets we manage, such as taking out a mortgage rather than using cash to purchase a home, deciding not to pay off a mortgage, gifting to charities or children, or our recommendations to bring to our firm other assets, such as 401k accounts, under our management, etc. Any time such a potential conflict may arise, we will discuss the conflict with you.

Our revenue also may increase or decrease due to market fluctuations determined predominately by economic factors beyond our control. Market fluctuations do not actually reflect the value we add to investment management. To counter these disadvantages, we will provide you with a basis for comparison of market performance to the performance of your account, using appropriate indices as benchmark comparisons. Our benchmarks are a blend of indexes which represent the level of risk taken in your investment plan.

Since we are not directly compensated for other factors involved in financial planning, such as tax planning, insurance planning, estate planning, goal setting, etc., it may be perceived that we are not diligent in fulfilling these obligations to you. Our written financial plans provide evidence of our thoroughness in these areas.

We strive to maintain a high degree of objectivity and to ensure that our advice is not based on these considerations. However, the potential for conflict of interests exists, and clients must be aware of that fact as they consider our recommendations.

Fees for Hourly Consultation Clients

Advitica Financial Planning LLC is compensated by hourly fees of \$250/hour. Ten hours is the minimum time needed to provide the most basic level of service for clients engaging us in an hourly consultation project. Fees are not generally negotiable. Advitica will discuss the assignment in advance with the client, and provide an estimate of hours expected of a typical assignment with similar elements. A client's actual planning time may vary from the estimate; however we will keep you informed in advance if we think we will exceed the original estimate. A deposit of 50% of the estimated fee is required at the time the financial planning data is returned and work begins. The remaining fee is due upon completion of the financial plan. We will return any advance deposit that exceeds \$500 if 5 months has passed and we have not been able to proceed with financial planning work. In no event will an advance deposit of \$500 or more be kept for longer than six months.

The Advisory Services Agreement is our contract for services. Clients may cancel the contract at any time within the first five business days without penalty. In this case, Clients will receive a full and prompt refund of any advance fees paid. Please note that work cannot begin until expiration of this waiting period. Financial plans are usually complete within 1-2 months from receipt of all required client data.

If a client decides to terminate the advisory agreement before the assignment is complete, Advitica will return any unearned hourly fees paid in the form of an advance deposit. Fees will be charged for work performed up to the time of a client's notice of the decision to terminate services.

Potential Conflicts of Interest Concerning Hourly Fees:

We believe our fee-only approach to compensation is very straightforward, and conflicts of interest are minimal. However, conflicts of interest of firms being compensated by this method may exist. Since we are billing the client for the actual hours we allocate to his or her particular issues and situation, there are potential conflicts of interest which may arise. If the client's situation involves issues new to us, more research may be required on our part to fully advise the client in a professional manner. Also, the speed at which we are able to complete work directly affects the compensation we charge clients.

To limit these conflicts of interest, we are willing to set a cap on the amount of hours we devote to your financial planning project. Our written recommendations will carry a caveat describing related issues or more in-depth considerations we were not able to fully research and analyze. Then, the client can determine whether it is in his or her interest to authorize funds for the additional time needed to expand the project.

Hourly Consultation Clients: Fees Paid to Brokerage or Mutual Fund Firms:

Clients will likely incur transaction fees or commissions in connection with trading of mutual fund, ETF, individual stocks and bonds, which are charged by the brokerage firm holding the client's assets. We recommend no specific investment brokerage firms, and trading fees vary from firm to firm. Mutual funds and ETF funds have operating expense/management fees which are indirect expenses.

Advitica has no relationship with Client's broker. We do not receive client financial information directly from a client's brokerage firm. Our clients must provide investment account information to us.

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

Item 6 is inapplicable to Advitica Financial Planning, LLC.

Our firm does not accept performance-based fees, nor manage accounts which impose performance-based fees.

Item 7 – Types of Clients

Advitica Financial Planning, LLC provides investment advice primarily to individuals and their families. This may include advice given to trustees or personal representatives of estates.

Although we don't have a minimum account size, we do have a minimum annual fee of \$5,000. At our sole discretion, we may waive the stated account minimum, negotiate or charge a lesser management fee based upon certain criteria (i.e., anticipated future earnings capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, preexisting clients, etc.).

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

Methods of Analysis

Advitica Financial Planning LLC analyzes investments with research provided by third parties. Sources of this type of information include investment research databases, fund prospectuses, research newsletters by investment professionals, articles in financial newspapers and magazines, and investment professionals speaking at conferences and webinars.

The risks of following these third-party sources are that the reporting may occasionally include factual errors or errors in judgment. We gather information from a variety of sources to obtain a balanced perspective of the investment and economic environment. We believe this helps mitigate the risk of relying on inaccurate data.

Investment Strategies

The investment advice which Advitica provides is based on investment strategies which incorporate the principles of Modern Portfolio Theory, a financial theory that attempts to maximize returns and minimize portfolio risk through a combination of asset classes in various proportions. Portfolios are invested in no-load, stock and bond mutual funds and Exchange-Traded Funds (ETFs), index funds, cash and certificates of deposit.

Broad diversification is emphasized. The portfolio is divided between a full spectrum of asset classes representing the global investment environment.

Portfolio Construction and Rebalancing

The portfolios are asset allocation plans designed to match the goals, risk tolerance, and time horizon of each client, with weightings assigned to the categories of stocks, bonds, and cash. These portfolios are used across various market conditions. Periodically rebalancing the

portfolio back to its original asset allocation target percentages is critical to maintaining its risk and return characteristics.

Types of Investments

Investment advice is offered on all investments held by a client at the start of the advisory relationship. New clients' existing investments are evaluated in light of the desired investment objectives and cash flow needs. We work with new clients to develop a plan to transition from a client's existing portfolio to the desired portfolio. We are sensitive to incurring tax and investment costs, and recommend changes we believe will be in the client's best interest.

Each client typically receives an investment portfolio plan consisting of no-load stock and bond mutual funds and exchange-traded funds (ETF's.). Portfolios may also include real estate investment trusts, high-yield bonds, and commodities held through mutual funds and exchange-traded funds.

Risk of Loss

Investing in securities involves a risk of loss that clients should be prepared to bear.

Investment recommendations look to mitigate risk through broad global diversification and rebalancing. However, the investment methodology will still subject the clients' invested assets to declines in value, which can at times be significant.

Generally, investing in equity mutual fund strategies are appropriate for clients with an investment time horizon of five years and preferably longer. Even then, investing is inherently uncertain as to future returns.

While economic risks are evaluated as part of risk analysis, Advitica does not engage in classic market-timing activities. We seek to reduce non-compensated risks to which a client may be exposed. Other risks (including but not limited to the risk of a general stock market decline) may be assumed in order to attain the client's longer-term financial goals and objectives. Advitica cannot provide any guarantee that the client's goals and objectives will be achieved. All investments carry some degree of risk, and it is possible to lose money even in conservative portfolios.

It is important for clients to understand that investments are cyclical and clients must remain invested throughout the downturn and recovery to realize the upside potential. Pulling out of the investment plan in the depths of a market correction will almost always fail to protect a client's assets and we will not recommend that course of action under normal circumstances.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events of their firm or certain management personnel which would be material to your evaluation of Advitica Financial Planning, LLC.

Advitica Financial Planning, LLC has never been involved in any legal or disciplinary events involving past or present clients.

Item 10 – Other Financial Industry Activities and Affiliations

Thomas B. McLean, principal of Advitica Financial Planning, LLC has no other business activities, affiliations or employment outside of this firm.

Item 11 – Code of Ethics

Advitica Financial Planning, LLC shall exercise its best efforts to act in good faith and in the best interests of the Client.

Advitica shall provide written disclosure to the client prior to the engagement of the Advisor, and thereafter throughout the term of the engagement, of any conflicts of interest which will or reasonably may compromise the impartiality or independence of the Advisor.

Advitica does not receive any compensation or other remuneration that is contingent on any client's purchase or sale of a financial product.

Advitica does not receive referral fees or any other compensation from other parties (i.e. attorneys, tax professionals, insurance agents, investment firms) based on the referral of clients or the clients' business.

Our code of ethics includes a privacy policy which precludes us from sharing your personally-identifiable information with third parties without your permission. See our Privacy Policy -- it is reprinted on the last page of this document.

Personal Trading for Associated Persons

We follow the same investment strategies for our personal portfolios that we recommend to clients. As such, we may buy or sell some of the same securities for you that we already hold in our personal account. Our policy does not permit our associated persons (or their immediate relatives) to trade in a way that takes advantage of price movements caused by your transactions. And, because we use highly diversified publically-traded mutual funds and ETF funds, our personal portfolio trades do not have high enough volumes to affect investment prices.

Advitica and its associated persons may purchase or sell specific securities for their own account based on personal investment considerations without regard to whether the purchase or sale of such security is appropriate for clients.

Item 12 – Brokerage Practices

Brokerage Practices for Comprehensive Financial Management Clients:

The Custodian and Brokers We Use

We do not maintain custody of your assets that we manage, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see "Item 15: Custody").

Your assets must be maintained in an account at a "qualified custodian," generally a broker/dealer or bank. Our clients use Charles Schwab & Co., Inc. ("Schwab"), a registered broker/dealer, member SIPC, as the qualified custodian so that we can manage your portfolio. Advitica is independently owned and operated and is not affiliated with Schwab. Schwab will

hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we suggest that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so. If you do not wish to place your assets at Schwab, we cannot manage your account.

How We Select Brokers/Custodians

We seek to use 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 (wire transfers, check requests, bill payment, etc.)
- 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 From Schwab”)

Your Brokerage and Custody Costs

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Schwab charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or

other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account. We have determined that having Schwab 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”).

Products and Services Available to Us From Schwab

Schwab's Advisor Services[™] (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. They 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 Schwab Retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's 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 a total of at least \$10 million of their assets in accounts at Schwab. If our clients collectively have less than \$10 million in assets at Schwab, Schwab may charge us quarterly service fees of \$1,200. Following is a more detailed description of Schwab's support services.

Services That Benefit You

Schwab's 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 Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Services That May Not Directly Benefit You

Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts. In addition to investment research, Schwab also makes available software and other technology that:

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

Services That Generally Benefit Only Us

Schwab also offers 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 financial planning, technology, and practice management

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

Our Interest in Schwab's Services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services so long as our clients collectively keep a total of at least \$10 million of their assets in accounts at Schwab. The \$10 million minimum may give us an incentive to require that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients.

Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How We Select Brokers/Custodians") and not Schwab's services that benefit only us.

Aggregation of Orders

There are occasions on which portfolio transactions will be executed as part of concurrent authorizations to purchase or sell the same security for another client or one or more of our associated persons. Since mutual funds are priced at the close of the market, all trades placed on the same day receive the same price. Exchange-traded funds are continually priced; trades are placed as close together in time as our trading system allows. We do not believe there is a material difference in the price received in different accounts.

Soft Dollars

"Soft dollars" are typically generated when an investment advisor enters into an agreement with an executing broker to receive a portion of the commissions generated by the advisor's client trades. The soft dollars are allocated to the investment advisor and can then be used to purchase items or services. The investment advisor has a fiduciary duty to its clients to obtain best execution, on an overall basis, for any securities transactions.

We do not use soft dollars as described above. The SEC recently changed the wording of certain questions on the Form ADV and has indirectly changed the definition of soft dollars. Due to the new wording, the receipt of goods and/or services from a third party in connection with providing advice to clients could be seen as “soft dollars.” The additional services we receive from Schwab, as disclosed in the section entitled “Products and Services Available to Us From Schwab” above, would fall under this description of soft dollars.

Brokerage Practices for Hourly Consultation Clients:

Clients may use any brokerage firm of their own choosing. Occasionally, Advitica may recommend discount brokerage firms (such as Charles Schwab or Vanguard Brokerage) that offer a broad selection of mutual funds, reasonable transaction fees, and provide access to the investments that the Advitica typically recommends. Our Hourly Consultation clients are under no obligation to use the brokerage firm we recommend. Advitica receives no soft-dollar benefits, i.e. research or any other free products or services, from any brokerage firm in regard to service provided to Hourly Clients.

Item 13 – Review of Accounts

Financial Planning Reviews are performed periodically, as agreed upon between clients and Advitica Financial Planning LLC. Financial Planning reviews are provided in the form of a written report and analysis for first year clients, and include where pertinent to the clients’ situation:

- Net worth statement
- Retirement planning projection
- Insurance analysis of needs for life insurance, disability, and long term care insurance
- Estate plan document review
- Response to and financial planning questions requested by clients.

Reviews after the first year are based on information supplied by the client. Any portions of the overall plan that are known to be out of date are reviewed and any recommendations for change are made in writing -- a task list is developed so that the client takes away an action plan itemizing tasks that are carried out by either Advitica or the clients. Updated net worth statements and retirement planning projections are also provided.

Reviews for clients are performed annually.

Frequency of Financial planning reviews for Hourly Consultation Clients:

Depending on client circumstances, reviews may be suggested annually or less often, perhaps every two or three years. Hourly Consultation Clients must participate in this process by making contact with Advitica Financial Planning LLC in order for the following activities to transpire.

Generally, annual reviews will be suggested for:

- Clients whose retirement date is occurring within four or five years
- Clients in retirement who are taking withdrawals from their portfolios
- Clients for whom we have prepared investment plans
- Clients with tax-planning issues

Less frequent reviews may be suggested for:

- Younger clients
- Clients in the mid-career asset-accumulation phase

Changes in economic conditions may trigger reviews for almost all clients. These may include extreme stock market downturns or major changes in income tax law.

Portfolio Reviews

Portfolio Reviews and Rebalancing of the client's portfolio will be undertaken: (1) quarterly (2) upon request, and (3) upon a substantial asset class decline. 4) when the client withdraws funds from the investment plan.

Even if one or more asset classes fall outside their target allocations, Advitica may determine not to rebalance the asset class for various reasons, such as avoidance of short-term capital gains, deferring long-term capital gains realization, minimization of transaction costs, or because the risks associated with a particular asset class may be inappropriate for a particular client.

Additional Portfolio Reviews are undertaken upon request by the client, such as when special cash needs arise causing withdrawals, or when additional cash or securities are added to the investment portfolio.

We may also transact sales and purchases to effect tax loss harvesting, in addition to rebalancing actions.

Advitica Financial Planning LLC tracks client performance and provides written performance reports to clients annually at the client's annual review appointment. A statement of current client holdings accompanies the clients' quarterly bill.

Item 14 – Client Referrals and Other Compensation

Advitica Financial Planning LLC is a fee-only advisory firm. Fees are paid solely by our clients, by fee deduction from investment accounts or by check.

Our firm does not pay referral fees, even if clients are referred to us by another advisor or professional, nor do we accept commissions or referral fees based on investments recommended or brokerage firms recommended.

Item 15 – Custody

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct Schwab to deduct our advisory fees directly from your account. Schwab maintains actual custody of your assets. You will receive account statements directly from Schwab monthly. They will be sent to the email or postal mailing address you provided to Schwab. If you are not receiving at least quarterly custodial statements, please contact us at the number on the cover of this brochure. You should carefully review those statements promptly when you receive them. We also urge you to compare Schwab's account statement to the quarterly Holdings report you will receive from us.

Item 16 – Investment Discretion

Comprehensive Financial Management Clients: As one of the conditions of managing your account, you are required to provide discretionary authority for us to manage your assets. Discretionary authority means that you are giving us a limited power of attorney to place trades on your behalf. Clients grant us discretionary authority by completing the following items:

- Sign a contract with us that provides a limited power of attorney for us to place trades on your behalf. Any limitations to the trading authorization will be added to this agreement.
- Provide us with discretionary authority and withdrawal powers on the new account forms that are submitted to Schwab as custodian for your account(s).

Hourly Consultation Clients: Advitica Financial Planning, LLC does not accept discretionary trading authority over client funds. Clients must provide their client account information to Advitica in order for us to prepare or update an investment plan. Investment trading is carried out by our clients under guidance provided in our written investment plans.

Item 17 – Voting Client Securities

Advitica Financial Planning, LLC will not be required to take any action or render any advice with respect to voting of proxies solicited by, or with respect to, the issuers of securities in which client assets may be invested.

As a matter of firm policy and practice, we do not have any authority to and do not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. We may provide advice to clients regarding the clients' voting of proxies.

Item 18 – Financial Information

Advitica Financial Planning LLC 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.

State Rules concerning disclosure of the Advisor's financial statements are required only if prepayment of more than \$500 in fees per client, and six months or more in advance are

accepted from clients. This is to provide financial information concerning the Advisor's ability to repay any financial obligations. This financial disclosure requirement does not apply to Advitica because of our practices mentioned below.

Advance deposits of Hourly Client fees are accepted at the time Client data questionnaires are received, and financial planning work is completed within one to two months of when such deposits are accepted. In no event would advance deposits be held for as long as six months without planning work commencing and such deposit fees being earned. Advance deposits are not required from Comprehensive Financial Management Clients.

Item 19 – Requirements for State-Registered Advisers

Thomas B. McLean is the owner of Advitica Financial Planning LLC. Thomas B. McLean has no other business interests outside of his financial planning firm Advitica Financial Planning LLC.

Thomas B. McLean is not compensated by performance-based fees.

Thomas B. McLean' Education and Business Background:

Born: 1968

Certified Financial Planner™ Registrant

Formal Education: B.S. Political Science, Georgia Southern University; Master of Science in Personal Financial Planning, Texas Tech University.

Business Background:

Thomas B. McLean is the sole owner of the business, and he has worked at the firm since August 2018. The firm was formerly called A.L. Rhodes Personal Financial Advisors LLC. The firm name changed to Advitica Financial Planning LLC in November 2018.

Prior to his work at Advitica, Mr. McLean worked at Vestory LLC as an Advisor (2017-18), NR Smith and Associates, PS as the Director of Financial Planning (2014-17) and Accredited Investors as a Wealth Manager (2012-14).

Thomas B. McLean is a **Certified Financial Planner™** licensee and **Investment Advisor Representative** in Washington state. His experience includes extensive work with investments and asset allocation, retirement planning, charitable gifting, insurance and risk management, estate planning, and assisting individuals with goal development and through life-changing events.

Professional Certifications:

Certified Financial Planners (CFP®) are licensed by the CFP® Board to use the CFP® mark. The following are the CFP® certification requirements as of 1/1/2011 and may not be the qualifications in place when the credential was obtained:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP® Board (www.cfp.net).

- Successful completion of the 10-hour CFP® Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.

Disciplinary Information:

Registered Investment Advisors are required to disclose any material facts regarding legal or disciplinary events that would be material to your evaluation of Advitica Financial Planning LLC.

Neither Thomas B. McLean, firm owner, nor the firm has ever been involved in any disciplinary or legal events related to past or present clients. Tom has never been the subject of a bankruptcy filing.

Additional information about Thomas B. McLean is available on the SEC's website at www.adviserinfo.sec.gov. Click on the "Investment Adviser Search" link and then search for "Individual" using the individual's CRD number 2262638.

Privacy Policy

Advitica Financial Planning LLC is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to our firm.

The categories of nonpublic information that we collect from you may include information about your personal finances, information about your health to the extent that it is needed for the financial planning process, and information about transactions between you and third parties. We use this information to help you meet your personal financial goals.

With your permission, we disclose limited information to attorneys, accountants, mortgage lenders and insurance agents with whom you either already have an established relationship, or to whom you may direct us to establish a relationship in your behalf. Some profile information (age, health status, situational information) is provided to third parties without disclosing your identity, i.e. to obtain insurance quotes before you have authorized the relationship.

You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, e-mail, or in person.

We maintain a secure office to ensure that your information is not placed at unreasonable risk. We use an encrypted cloud environment where client data is stored. Data is accessible only to authorized employees of Advitica Financial Planning. We also rely on firewall barriers and passwords to prevent unauthorized entry into our computer systems.

We do not provide your personal information to mailing list vendors or solicitors.

Federal and state securities regulators may review our company records and your personal records as permitted by law to ensure our firm's compliance with state and federal securities Laws.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities Laws. After that time, hard copy information will be shredded and electronic data will be permanently deleted.

We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver this Privacy Statement to you annually, in writing.

Thomas B. McLean

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This brochure was last updated on January 1, 2020

This Brochure Supplement provides information about Thomas B. McLean that supplements the Advitica Financial Planning LLC's Brochure. You should have received a copy of that Brochure. Please contact Thomas B. McLean at 360-292-9314 if you did not receive Advitica Financial Planning LLC's Brochure or if you have any questions about the contents of this supplement.

Additional information about Thomas B. McLean is available on the SEC's website at www.adviserinfo.sec.gov. Click on the "Investment Adviser Search" link and then search for "Individual" using the Mr. McLean's IARD number, which is 2262638.

Item 2- Educational Background and Business Experience

Born: 1968

Certified Financial Planner[™] Registrant

Formal Education: Tom McLean has a bachelor's degree in Political Science from Georgia Southern University and a Master's Degree in Personal Financial Planning from Texas Tech University.

Business Background: Tom McLean is a **Certified Financial Planner[™]** licensee and **Investment Advisor Representative** in Washington state. For 14 years he has worked as a financial advisor and assisted clients with a wide range of financial planning goals such as retirement, estate, and college planning, reviewing and providing recommendations on insurance coverage and risk avoidance, as well as charitable gift planning.

Advitica Financial Planning LLC, Investment Advisor Representative, 2018 – Present

Vestory, LLC Advisor, 05/2017 – 07/2018

NR Smith and Associates, PS, Director of Financial Planning, 09/2014 – 04/2017

Accredited Investors, Wealth Manager, 09/2012 – 09/2014

Professional Certifications

Certified Financial Planners (CFP®) are licensed by the CFP® Board to use the CFP® mark. The following are the CFP® certification requirements as of 1/1/2011 and may not be the qualifications in place when the credential was obtained:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP® Board (www.cfp.net).
- Successful completion of the 10-hour CFP® Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.

Item 3- Disciplinary Information

Tom McLean has never been involved in any disciplinary or legal events related to past or present clients. Tom has never been the subject of a bankruptcy filing.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

As the CEO of Advitica Financial Planning LLC, Mr. McLean is his own supervisor.

Item 7- Requirements for State-Registered Advisers

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceedings: None

Bankruptcy Petition: None