

# Lamorinda Financial Planning, LLC dba – East Bay Divorce Financial Planning Firm Brochure Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Lamorinda Financial Planning, LLC. Dba East Bay Divorce Financial Planning. If you have any questions about the contents of this brochure, please contact us at 9258767668 or by email at: [beth@lamorindafinplan.com](mailto:beth@lamorindafinplan.com). 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 Lamorinda Financial Planning, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Lamorinda Financial Planning, LLC's CRD number is: 171494.*

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*Registration does not imply a certain level of skill or training.*

Version Date: 04/02/2020

## Item 2: Material Changes

### March 2015

Item 5 A - Hourly fee range is \$175-\$250. Fees for an ongoing monthly service contract may be billed monthly.

Item 5B - Addition of credit cards as a means of client payment.

### December 2015

Cover page - Change of email address from [bethfinplan@gmail.com](mailto:bethfinplan@gmail.com) to [beth@lamorindafinplan.com](mailto:beth@lamorindafinplan.com).

Item 4B - Inclusion of possible recommendation to a third party money manager.

Item 5A - Increase in maximum fee advance to six months or \$1200.00.

Item 5 B - Billing frequency is changed to semi-annual or quarterly basis. And inclusion of third party manager fees.

Item 10D - Inclusion of selection criteria for third party investment advisor.

Item 18A - Increase in maximum fee advance to six months or \$1200.00.

### March 2016

Item 4E - Clarification regarding the business model excluding assets under management as a client service.

Item 5A - Clarification regarding the business model excluding assets under management as a client service.

Increase of the maximum retainer for hourly or fixed package services to \$2000.

Item 10C - Increase in maximum fee advance to six months or \$2000.00.

Item 13A - Clarification of review frequency for financial plans and investment accounts to be based on client request.

Removed reference to portfolio management accounts.

Item 15 - Client investment account statements are provided by custodian and/or 3<sup>rd</sup> party investment advisory firm.

Item 18 - Increase in maximum fee advance to six months or \$2000.00.

## **February 2017**

Item 4B – Change from Investment Management Service to Investment Advisory Service to clarify exclusion of assets under management as a service.

Item 4B & 10D - Inclusion of a statement regarding no compensation received in exchange for advisory services.

Item 4B – Inclusion of the term “budgeting” as a service provided.

Item 4E – Update of date to February 10, 2017.

Item 5A, 5B & 10C – Increase of maximum hourly fee to \$350 with the maximum fee collected in advance to be \$3000 or 1 year in advance.

Item 18A – Inclusion of financial balance sheet with this document.

## **January 2018**

Item 4B – Inclusion of long term care and disability insurance.

## **March 2019**

Item 4E & 5A– Removal of use of third party money manager. Lamorinda has never used a third party money manager.

Item 5B – Addition of language to indicate the use of a third party money manager is independent of any services or fees from Lamorinda.

## **July 2019**

Item 1B – Addition of the firm’s DBA East Bay Divorce Financial Planning.

Item 4, 4A, & 4B - Addition of the firm’s DBA East Bay Divorce Financial Planning and service descriptions.

Item 4 C– Added clarification about financial coaching services, the use of contract amendments to modify the agreed scope of services to be provided, and referrals to outside professionals.

Item 4C – Added divorce financial planning client participation requirements and possible termination of services for failure to provide accurate and complete financial information.

Item 4E – Updated the date for reporting assets under management.

Item 5A – Added clarification regarding client responsibility for independent and third party management of assets.

Item 10C - Removed unnecessary reference to fee advances. This is the incorrect section for this information.

Item 10D - Expanded information about client referrals to professionals.

**April 2020**

Addition of 2019 Financial Reports

No additional material changes.

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## Item 4: Advisory Business

### *Business Description*

We provide services to individuals and high-net-worth individuals concerning mutual funds, fixed income securities, real estate funds (including REITs), insurance products including annuities, equities, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds and non-U.S. securities, focusing in the financial planning area on Financial Life Planning. As a registered investment adviser, we are held to the highest standard of client care – a fiduciary standard. As a fiduciary, we always put our client’s interests first and must fully disclose any potential conflict of interest. We do not hold customer’s invested funds or securities.

Lamorinda Financial Planning, LLC, dba East Bay Divorce Financial Planning offers a suite of services to individuals and couples before, during, and after divorce.

### **A. Description of the Advisory Firm**

Lamorinda Financial Planning, LLC dba East Bay Divorce Financial Planning (hereinafter “Lamorinda”) is a Limited Liability Company organized in the State of California.

The firm was formed in May 2014, and the principal owner is Elizabeth W. McClelland.

### **B. Types of Advisory Services**

#### *Portfolio Advisory Services*

Lamorinda offers ongoing portfolio advisory services based on the individual goals, objectives, time horizon, and risk tolerance of each client. Lamorinda creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels). Portfolio advisory services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

Lamorinda evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

Lamorinda seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of Lamorinda’s economic, investment or other financial interests. To meet its fiduciary obligations,

Lamorinda attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, Lamorinda's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is Lamorinda's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

Lamorinda could recommend a third party money manager to a client. A third party money manager is an entity that offers research, information and reporting in regards to the initial investment and ongoing management of a particular investment strategy. A third party money manager will charge a fee that is a percentage of the assets being managed.

Lamorinda does not receive any economic benefit from any person, company, or organization, other than Lamorinda Financial Planning, LLC in exchange for providing clients investment advisory services through Lamorinda Financial Planning, LLC.

### Services Limited to Specific Types of Investments

Lamorinda generally limits its investment advice to mutual funds, fixed income securities, real estate funds (including REITs), insurance products including annuities, equities, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds and non-U.S. securities. Lamorinda may use other securities as well to help diversify a portfolio when applicable.

### ***Financial Planning***

Financial planning, and financial coaching services provided by Lamorinda focus on Financial Life Planning concepts and may include, but are not limited to: investment planning; life, long term care, and disability insurance; tax concerns; retirement planning; college planning; budgeting, and debt/credit planning. Financial plans and coaching services may be more comprehensive or may be limited in scope to cover one or two areas as agreed upon by Lamorinda and the client. In all cases the scope of the engagement is defined in the client service contract or modified by amendment

In offering financial planning, a conflict exists between the interests of the investment adviser and the interests of the client. The client is under no obligation to act upon the investment adviser's recommendation, and, if the client elects to act on any of the recommendations, the client is under no obligation to affect the transaction through the investment adviser. This statement is required by California Code of Regulations, 10 CCR Section 260.235.2.



## ***Divorce Financial Planning***

Lamorinda Financial Planning, LLC, dba East Bay Divorce Financial Planning offers a suite of services to individuals and couples before, during, and after divorce. The scope of services offered includes:

- Providing information about the financial aspects of divorce
- Identifying the financial goals, concerns, and hopes of the divorcing party(s)
- Financial analysis, education, guidance, and consultation relating to the divorcing party(s) financial circumstances and support for financial decision making
- Assisting in preparation of financial disclosure documents.
- Assisting in the preparation and review of financial settlement proposals including spousal and child support, division of assets, and divorce related tax planning.
- Working collaboratively with the clients and other professionals to enhance communication and facilitation of financial agreements
- Neutral financial mediation services

### **C. Client Tailored Services and Client Imposed Restrictions**

Lamorinda offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels). Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent Lamorinda from properly servicing the client account, or if the restrictions would require Lamorinda to deviate from its standard suite of services, Lamorinda reserves the right to end the relationship.

Divorce financial planning services require client participation for timely delivery of complete, accurate, and relevant financial information. Failure to provide complete and accurate information Lamorinda reserves the right to terminate the relationship.

From time to time Lamorinda may strongly advise a client to seek outside professional advice in order to address a particular issue e.g legal or tax related advice. Professional referral sources may be offered, but the client is under no obligation to seek the advice from one of these referrals. They are free to choose the outside advisor by their own criteria and preference. Failure to seek advice when it appears to be imperative for responsible decision making may result in Lamorinda terminating the relationship. See Part 10 item D for additional information about Lamorinda's professional referral relationships.

### **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. Lamorinda does not offer wrap fee services.

## **E. Assets Under Management**

Lamorinda has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Non-discretionary Amounts:</b>	<b>Date Calculated:</b>
\$0	\$0	July 2019

The Lamorinda business model does not include assets under management. All assets are managed directly by the client.

## **F. Educational Seminars**

Lamorinda offers both public and private educational engagements from time to time. The educational engagements are general in nature and do not include the provision of individualized financial planning or investment advice.

# **Item 5: Fees and Compensation**

## **A. Fee Schedule**

Lower fees for comparable services may be available from other sources.

### ***Fees for Portfolio Management***

The Lamorinda business model does not include assets under management. All assets are managed directly by the client or a third party unrelated to Lamorinda. Investment advisory services are may be included as part of the financial planning agreement.

### ***Financial Planning Fees***

#### **Hourly Fees**

The negotiated hourly fee for these services is between \$175- \$350. Fees are charged up to 100% in advance, but never more than \$3000.00 or 1 year in advance, with the remainder due at the end of the month for an ongoing monthly service contract or upon completion of the agreed upon service or presentation of the plan.

These fees are generally negotiable and the final fee schedule is included in the Financial Advisory Contract or a contract addendum. Clients may terminate the agreement

without penalty for a full refund of Lamorinda's fees within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

## **B. Payment of Fees**

### ***Payment of Portfolio Management Fees***

Lamorinda could recommend a third party money manager to a client. A third party money manager is an entity that offers research, information and reporting in regards to the initial investment and ongoing management of a particular investment strategy. A third party money manager could charge a fee that is a percentage of the assets being managed. The use of a third party money manager is independent of any services provided by Lamorinda.

### ***Payment of Financial Planning Fees***

Financial planning fees are paid via check, cash, credit card, and wire.

Financial planning package fees are paid up to 100% in advance, but never more \$3000.00, or 1 year in advance.

## **C. Client Responsibility For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by Lamorinda. Please see Item 12 of this brochure regarding broker-dealer/custodian.

## **D. Prepayment of Fees**

Lamorinda collects fees in advance. Refunds for fees paid in advance will be returned within fourteen days to the client via check.

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

For hourly fees that are collected in advance, the fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

## **E. Outside Compensation For the Sale of Securities to Clients**

Neither Lamorinda nor its supervised persons accept any 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**

Lamorinda does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7: Types of Clients**

Lamorinda generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

### ***Minimum Account Size***

There is no account minimum for any of Lamorinda's services.

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

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis***

Lamorinda's methods of analysis include charting analysis, fundamental analysis, technical analysis, cyclical analysis and quantitative analysis.

**Charting analysis** involves the use of patterns in performance charts. Lamorinda uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Technical analysis** involves the analysis of past market data; primarily price and volume.

**Cyclical analysis** involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

**Quantitative analysis** deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

### ***Investment Strategies***

Lamorinda uses long term trading and short term trading.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **B. Material Risks Involved**

### ***Methods of Analysis***

**Charting analysis** strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

**Cyclical analysis** assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

**Quantitative Model Risk:** Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

## ***Investment Strategies***

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Short term trading** risks include liquidity, economic stability, and inflation, in addition to the long term trading risks listed above. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature (mentioned below).

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

**Real Estate** funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Annuities** are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

**Non-U.S. securities** present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

## **B. Administrative Proceedings**

There are no administrative proceedings to report.

## **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.



## **Item 10: Other Financial Industry Activities and Affiliations**

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither Lamorinda nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither Lamorinda nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Neither Lamorinda nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest. All material conflicts of interest under Section 260.238 (k) of the California Corporations Code are disclosed regarding the investment adviser, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

### **D. Selection of Other Advisers, Managers or Professional Referrals and How This Adviser is Compensated for Those Selections**

Lamorinda may recommend third-party investment advisers. Lamorinda may also provide consulting services to clients with respect to one or more third party asset allocation and reporting services. When evaluating any of these options Lamorinda evaluates numerous factors such as fundamental strategy, experience, reputation, historical track record, and operating structure. Lamorinda would require that those involved in determining or giving investment advice to clients have the appropriate certification, experience and educational background associated with their area of expertise.

Each client will be informed that he or she is under no obligation to implement investment advisory recommendations through Lamorinda.

Lamorinda will not take any power of attorney from any advisor client to execute transactions and under no circumstances will applicant take custody of funds, securities or any other assets of its clients. Lamorinda investment advisory services will be limited

to those services described in the application.

Lamorinda participates in various professional organizations and may from time to time build trusted relationships that result in the referral of Lamorinda clients for services within or outside the scope of service offerings by Lamorinda. Lamorinda does not participate in any formal contractual relationship or receive material benefit as a result of the relationships or referrals. Organizational association memberships include Financial Planning Association (FPA), Collaborative Practice of California (CP CAL), Collaborative Practice East Bay.

Professional referrals may include, but are not limited to attorneys, attorney firms, therapists, accountant or accounting firms, actuaries, real estate or business valuation services, real estate brokers, mortgage brokers, and career counseling services. The intent of a referral to a professional is strictly for the benefit of the client and it is entirely the responsibility of the client to engage, contract, and pay for any service provided by the professional. Clients are under no obligation to engage a professional referred by Lamorinda.

When evaluating any of these referral options Lamorinda evaluates numerous factors such as philosophy of client care, experience, reputation, historical track record, and operating structure. Lamorinda would require that those providing services to clients have the appropriate certification, experience and educational background associated with their area of expertise.

Lamorinda does not receive any economic benefit from any person, company, or organization, other than Lamorinda Financial Planning, LLC in exchange for providing clients investment advisory services or client referrals through Lamorinda Financial Planning, LLC. Dba East Bay Divorce Financial Planning.

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

### **A. Code of Ethics**

Lamorinda has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Lamorinda's Code of Ethics is available free upon request to any client or prospective client.

## **B. Recommendations Involving Material Financial Interests**

Lamorinda does not recommend that clients buy or sell any security in which a related person to Lamorinda or Lamorinda has a material financial interest.

## **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of Lamorinda may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of Lamorinda to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. Lamorinda will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

## **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of Lamorinda may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of Lamorinda to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, Lamorinda will never engage in trading that operates to the client's disadvantage if representatives of Lamorinda buy or sell securities at or around the same time as clients.

# **Item 12: Brokerage Practices**

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

Lamorinda does not trade client's accounts.

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

Lamorinda does not trade client's accounts and therefore receives no research, product, or services other than execution from a third-party in connection with client securities transactions ("soft dollar benefits").

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

Lamorinda receives 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***

Lamorinda does not trade client's accounts.

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

Lamorinda does not trade clients' accounts and therefore does not have the ability to block trade purchases across accounts.

## **Item 13: Reviews of Accounts**

#### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Client financial plans and investment accounts are reviewed at the request of the clients or as part of the financial planning process.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Elizabeth W McClelland. There is only one level of review for financial planning, and that is the total review conducted to create the financial plan.

#### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, Lamorinda's services will generally conclude upon delivery of the financial plan.

#### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

Each client will receive the financial plan upon completion.

## **Item 14: Client Referrals and Other Compensation**

**A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

Lamorinda does not receive any economic benefit, directly or indirectly from any third party for advice rendered to Lamorinda's clients or referrals to other professionals..

**B. Compensation to Non – Advisory Personnel for Client Referrals**

Lamorinda does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

**Item 15: Custody**

Lamorinda does not take custody of client accounts at any time. Custody of client's accounts is held primarily at the client's custodian. Clients will receive account statements from the custodian and/or third party investment advisory firm, and should carefully review those statements for accuracy.

**Item 16: Investment Discretion**

Lamorinda does not have discretion over client accounts at any time.

**Item 17: Voting Client Securities (Proxy Voting)**

Lamorinda will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

**Item 18: Financial Information**

**A. Balance Sheet**

Lamorinda accepts prepayment of \$3000.00 or 1 year of service in advance, and has included a balance sheet with this brochure.

**B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither Lamorinda nor its management has any financial condition that is likely to reasonably impair Lamorinda's ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

Lamorinda has not been the subject of a bankruptcy petition in the last ten years.

## **Item 19: Requirements For State Registered Advisers**

### **A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background**

Lamorinda currently has only one management person: Elizabeth W McClelland. Education and business background can be found on the Form ADV Part 2B brochure supplement for such individual.

### **B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)**

Other business activities for each relevant individual can be found on the Form ADV Part 2B brochure supplement for each such individual.

### **C. How Performance-based Fees are Calculated and Degree of Risk to Clients**

Lamorinda does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

### **D. Material Disciplinary Disclosures for Management Persons of this Firm**

There are no civil, self-regulatory organization, or arbitration proceedings to report under this section.

### **E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)**

See Item 10.C and 11.B.

# Lamorinda Financial Planning, LLC

## BALANCE SHEET

As of December 31, 2019

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
First Republic Checking	219.48
TOTAL BUS CHK (1207)	7,922.88
<b>Total Bank Accounts</b>	<b>\$8,142.36</b>
Accounts Receivable	
Accounts Receivable	0.00
<b>Total Accounts Receivable</b>	<b>\$0.00</b>
Other Current Assets	
Schwab	65,161.99
Undeposited Funds	0.00
<b>Total Other Current Assets</b>	<b>\$65,161.99</b>
<b>Total Current Assets</b>	<b>\$73,304.35</b>
<b>TOTAL ASSETS</b>	<b>\$73,304.35</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Credit Cards	
E. MCCLELLAND (1817)	-1,848.24
<b>Total Credit Cards</b>	<b>\$ -1,848.24</b>
Other Current Liabilities	
Customer Retainers	6,535.42
<b>Total Other Current Liabilities</b>	<b>\$6,535.42</b>
<b>Total Current Liabilities</b>	<b>\$4,687.18</b>
<b>Total Liabilities</b>	<b>\$4,687.18</b>
Equity	
Opening Balance Equity	44,299.83
Owner's Contribution	3,771.11
Owner's Draw	-183,848.10
Retained Earnings	134,863.57
Unrealized Gain on Investment Account	27,338.50
Net Income	42,192.26
<b>Total Equity</b>	<b>\$68,617.17</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$73,304.35</b>

# Lamorinda Financial Planning, LLC

## PROFIT AND LOSS

January - December 2019

	TOTAL
Income	
Discounts/Refunds Given	-31.25
Services	107,963.74
Unapplied Cash Payment Income	-5,575.00
<b>Total Income</b>	<b>\$102,357.49</b>
<b>GROSS PROFIT</b>	<b>\$102,357.49</b>
Expenses	
Advertising/Marketing/Promotional	723.23
Auto Mileage	202.24
Bad Debts	4,338.76
Bank Charges	2,245.28
Business Licenses & Permits	881.90
Business Meals	177.64
Computer Technology & Expenses	15,044.31
Credit Card Interest Expense	56.92
Dues & Subscriptions	3,080.58
Education & Training	3,198.50
Insurance - General Liability	500.00
Insurance - Professional Liability	5,486.67
Legal & Professional Fees	2,314.00
Office Expenses	95.14
Office Supplies	2,664.28
Parking	780.35
Postage & Delivery	118.10
Rent	9,000.00
SubContractor	3,717.50
Taxes Paid	
State Taxes	700.00
<b>Total Taxes Paid</b>	<b>700.00</b>
Telephone - Wireless	3,613.99
Travel	1,543.58
Travel Meals	60.00
Utilities	600.00
Vehicle - Fuel/Repairs & Maintenance	140.75
<b>Total Expenses</b>	<b>\$61,283.72</b>
<b>NET OPERATING INCOME</b>	<b>\$41,073.77</b>
Other Income	
Dividend Income	1,112.00
Interest Earned	6.49
<b>Total Other Income</b>	<b>\$1,118.49</b>
<b>NET OTHER INCOME</b>	<b>\$1,118.49</b>
<b>NET INCOME</b>	<b>\$42,192.26</b>



# Lamorinda Financial Planning, LLC

## PROFIT AND LOSS

January - December 2019