

# Item 1: Cover Page

Switchpoint Financial Planning LLC

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

602-859-8292

Dated January 3, 2018

This Brochure provides information about the qualifications and business practices of Switchpoint Financial Planning LLC, “Switchpoint”. If you have any questions about the contents of this Brochure, please contact us at 602-859-8292. 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.

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

Additional information about Switchpoint is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the firm’s identification number 282856.

# Item 2: Material Changes

As of January 2018:

We have changed our fees for Comprehensive Financial Planning and Investment Management. Please see Item 5 for more information.

## Future Changes

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

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for our firm name or by our CRD number 282856. You may also request a copy of this Disclosure Brochure at any time, by contacting us at 801-753-8538.

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# Item 4: Advisory Business

## Description of Advisory Firm

Switchpoint Financial Planning LLC is registered as an Investment Adviser with the State of Utah. We were founded in March 2016. James Rhead Sweeney is the principal owner of Switchpoint. As of December 31, 2017, Switchpoint Financial Planning LLC reports \$9,671,620 in Discretionary Assets Under Management and \$0 in Non-Discretionary Assets Under Management.

## Types of Advisory Services

### Financial Planning

Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

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

- **Business Planning:** We provide consulting services for clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.
- **Cash Flow and Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies

to save desired amounts.

- **College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).
- **Employee Benefits Optimization:** We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.
- **Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

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

- **Financial Goals:** We will help clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.
- **Investment Analysis:** Our investment approach is holistic in nature. We consider not only accounts managed by Switchpoint, but other assets owned by the client in developing an asset allocation strategy to meet clients' financial goals and risk tolerance. This includes, but is not limited to, reviewing employee stock options, defined contribution plans (401k, 403b, etc), real estate assets, and other private investments, as well as assisting you in establishing investment

accounts at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

- **Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (i.e., working longer, saving more, spending less, taking more risk with investments).

If you are near retirement or already retired, we will do a thorough analysis of your social security and pension benefits, as well as retirement accounts and other assets available for retirement needs. Advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

- **Insurance/Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance (“self-insuring”).
- **Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their “tax efficiency,” with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

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

## **Investment Management Services**

We are in the business of managing individually tailored investment portfolios on a discretionary and non-discretionary basis. Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation target. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background.

Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Fees pertaining to this service are outlined in Item 5 of this brochure.

If you participate in our discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm and the appropriate trading authorization forms. You may, in our sole discretion, limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing. If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account.

## **Retirement Plan Consulting**

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

- Establishing an Investment Policy Statement – Our firm will assist in the development a statement that summarizes the investment goals and objectives along with the broad strategies to be employed to meet the objectives.
- Investment Options – Our firm will work with the Plan Sponsor to evaluate existing investment options and make recommendations for appropriate changes.
- Asset Allocation and Portfolio Construction – Our firm will develop strategic asset allocation models to aid Participants in developing strategies to meet their investment objectives, time horizon, financial situation and tolerance for risk.
- Investment Monitoring – Our firm will monitor the performance of the investments and notify the client in the event of over/underperformance and in times of market volatility.

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

All retirement plan consulting services shall be in compliance with the applicable state laws regulating retirement consulting services. This applies to client accounts that are retirement or other employee benefit plans (“Plan”) governed by the Employee Retirement Income Security Act of 1974 (“ERISA”). If the client accounts are part of a Plan, and our firm accepts appointments to provide services to such accounts, our firm acknowledges its fiduciary standard within the meaning of Section 3(21) or 3(38) of ERISA as designated by the Retirement Plan Consulting Agreement with respect to the provision of services described therein.

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

We offer the same suite of services to all of our clients. However, specific client financial plans 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) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

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 Switchpoint from properly servicing the client account, or if the restrictions would require Switchpoint to deviate from its standard suite of services, Switchpoint reserves the right to end the relationship.

## **Wrap Fee Programs**

We do not participate in wrap fee programs.



# Item 5: Fees and Compensation

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

## **Comprehensive Financial Planning and Investment Management**

Comprehensive Financial Planning and Investment Management consists of an upfront charge of \$1,000, billed 50% in advance and 50% after completion of initial engagement. Thereafter, an ongoing fixed annual fee will be paid monthly or quarterly, in arrears, as outlined below. The first period fee will be prorated based on the date that investment accounts transferred or the initial engagement fee was paid, whichever comes last. These fees may be negotiable in certain cases.

Advisory fees may be directly debited from client accounts and paid quarterly at a rate of 1/4 the fixed annual fee, or the client may choose to pay monthly by check, credit card or ACH at a rate of 1/12 the annual fixed annual fee. This service may be terminated with 30 days' notice. Since fees are paid in arrears, no rebate will be needed upon termination of the account.

### **Premier Service**

The ongoing annual fee for this service is \$9,600.00 per year, not to exceed 2% AUM. The Premier service is meant to serve those with complex financial situations, such as business owners, those with complex estates, and those with assets in excess of a few million dollars.

### **Full Service**

The ongoing annual fee for this service is \$4,800.00 per year, not to exceed 2% AUM. Our full service offering is meant to serve the needs of high earning employees and retirees with liquid assets from a few hundred thousand to a few million.

### **Wealthbuilder**

The ongoing annual fee for this service is \$2,400.00 per year. Wealthbuilder clients don't meet minimums for the Standard plan, but want a comprehensive, proactive relationship. The Wealthbuilder plan is meant as a temporary solution, with clients moving to the Standard or Premier plan within 5-10 years. This service includes:

- Initial Plan Development and Implementation
- Holistic Investment Advice (All accounts, not just those managed by Switchpoint)

- Investment management of personal accounts as needed
- Annual Review of net worth, cash flow, and tax situation
- Annual Review of life insurance, estate plan, employee benefits, & college savings plan
- Availability of adviser by phone or emails as questions arise throughout the year
- Access to online financial dashboard

No increase in the annual fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement.

### **Retirement Plan Consulting**

Our firm's fees are on a flat fee basis of \$2,400 per year for up to 10 participants plus \$100 per year per additional participant above 10. Fees are billed on a pro-rata basis quarterly in arrears. Fees are negotiable in certain circumstances. Fees may be paid by the sponsor of the Qualified Plan or directly deducted from the assets of the Qualified Plan. The fee-paying arrangements for Retirement Plan Consulting service will be determined on a case-by-case basis and will be detailed in the signed consulting agreement.

### **Hourly Planning and Project Fees**

Financial Planning projects will generally be offered on a fixed fee basis, which is agreed upon before the start of any work. Fixed fees will be determined on a case by case basis with the fee based on an estimate of the number of hours required to complete the project, multiplied by \$150.00 per hour. The fixed fee for planning projects typically range between \$300.00 - \$3,000.00. The fee is negotiable in certain cases. If a fixed fee program is chosen, half of the fee is due at the beginning of process and the remainder is due at completion of work, however, Switchpoint will not bill an amount above \$500.00 more than 6 months in advance. If the situation necessitates additional work beyond the typical project range, an hourly rate of \$150.00 per hour will be billed.

### **Other Types of Fees and Expenses**

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual fund and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and

commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

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

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

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

We do not offer performance-based fees.

## Item 7: Types of Clients

We provide financial planning and portfolio management services to individuals, high net-worth individuals, pension and profit sharing plans, and corporations or business entities.

We do not have a minimum account size requirement.

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

### Passive Investment Management

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

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

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

## **Material Risks Involved**

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

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

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

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

**Limited markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions we may be unable to sell or liquidate investments at prices we consider reasonable or favorable, or find buyers at any price.

**Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

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

**Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

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

## **Risks Associated with Securities**

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

**Commercial Paper** is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured the risk to the investor is that the issuer may default.

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

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

**Bank Obligations** including bonds and certificates of deposit may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are greatly affected by interest rates and may be adversely affected by downturns in the U.S. and foreign economies or changes in banking regulations.

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

**Options and other derivatives** carry many unique risks, including time-sensitivity, and can result in the complete loss of principal. While covered call writing does provide a partial hedge to the stock against which the call is written, the hedge is limited to the amount of cash flow received when writing the

option. When selling covered calls, there is a risk the underlying position may be called away at a price lower than the current market price.

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

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

## Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Switchpoint or the integrity of our management. We have no information applicable to this Item.

## Item 10: Other Financial Industry Activities and Affiliations

James Sweeney currently does not participate in other financial industry activities and is not affiliated with other financial firms. Switchpoint does not recommend, or select other investment advisers for its clients.

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

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each client. Our clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings.

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

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

We will, upon request, promptly provide a complete code of ethics.

Our firm and its "related persons" (associates, their immediate family members, etc.) may buy or sell securities the same as, similar to, or different from, those we recommend to clients for their accounts. A recommendation made to one client may be different in nature or in timing from a recommendation made to a different client. Clients often have different objectives and risk tolerances. At no time,

however, will our firm or any related party receive preferential treatment over our clients. Switchpoint does not recommend securities to clients in which the Adviser or a related person has material financial interest.

In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates' transactions in specific securities transactions. Any exceptions or trading pre-clearance must be approved by our Chief Compliance Officer in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

Additionally, Switchpoint requires adherence to the CFA Institute's Code of Ethics and Standards of Professional Conduct.

## Item 12: Brokerage Practices

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

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

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

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

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

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

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

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

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



Switchpoint participates in TD Ameritrade's institutional customer program and may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between Switchpoint's participation in the program and the investment advice it gives to its clients, although Switchpoint receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Switchpoint participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Switchpoint by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Switchpoint's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Switchpoint but may not benefit its client accounts. These products or services may assist Switchpoint in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Switchpoint manage and further develop its business enterprise. The benefits received by Switchpoint or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Switchpoint endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Switchpoint or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Switchpoint's choice of TD Ameritrade for custody and brokerage services.

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

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

## Item 13: Review of Accounts

James Sweeney, Principal and CCO, will monitor your accounts on an ongoing basis and will conduct account reviews at least annually and/or upon your request to ensure that the advisory services provided to you are consistent with your stated investment needs and objectives. Additionally, reasonable client imposed restrictions will be reviewed to confirm that they are being enforced. Events that may trigger a special review would be unusual performance, addition or deletions of client imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per client's needs.

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

Switchpoint will not provide written reports to Investment Management clients.

Comprehensive Financial Planning clients will have their Financial Plans will be reviewed at least annually in conjunction with the annual review meeting.

## Item 14: Client Referrals and Other Compensation

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

## Item 15: Custody

Switchpoint Financial Planning LLC has limited custody solely due to the direct withdrawal of fees. We do not have physical custody of client assets or securities.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. We urge you to carefully review such

statements and compare such official custodial records to the account statements or reports that we may provide to you. Our statements or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

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

- i. Switchpoint will send an invoice to the custodian.
- ii. The custodian will send at least quarterly statements to the client showing all disbursements for the account, including the amount of the advisory fee.
- iii. The client will provide written authorization to Switchpoint, permitting them to be paid directly for their accounts held by the custodian.

## Item 16: Investment Discretion

For those client accounts where we provide investment management services, we maintain discretion over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or type. Investment discretion is explained to clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the client will execute a Limited Power of Attorney which will grant our firm discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the client.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

## Item 17: Voting Client Securities

We do not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the client would like our

opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

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

## Item 18: Financial Information

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

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

# Item 19: Requirements for State-Registered Advisers

James Rhead Sweeney

Born: 1984

## **Educational Background**

- 2011 – MS Finance, University of Utah
- 2010 – BA Economics, Brigham Young University

## **Business Experience**

- 03/2016 – Present, Switchpoint Financial Planning, LLC, Owner and CCO
- 08/2013 – 03/2016, The Martin Worley Group, Associate Financial Advisor
- 08/2011 – 05/2013, Knox Capital Group, Investment Specialist
- 09/2010 – 05/2011, Beneficial Financial Group, Investment Analyst Intern

## **Professional Designations, Licensing & Exams**

**CERTIFIED FINANCIAL PLANNER (CFP)** - The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and

risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

- Examination – Pass the comprehensive CFP® Certification Examination. The examination includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

**Chartered Financial Analyst (CFA):** The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals. To earn the CFA charter, candidates must:

- 1) pass three sequential, six-hour examinations;
- 2) have at least four years of qualified professional investment experience;
- 3) join CFA Institute as members; and

4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

#### **Other Business Activities**

James Sweeney currently has no outside business activities.

#### **Performance Based Fees**

Please refer to Item 6 of this brochure.

#### **Material Disciplinary Disclosures**

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

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

Switchpoint Financial Planning, LLC nor James Sweeney, have any relationship or arrangement with issuers of securities.

Switchpoint Financial Planning, LLC

Form ADV Part 2B – Brochure Supplement

896 W 1875 S

Lehi, UT 84043

Phone: (602)859-8292

*For*

**James Rhead Sweeney**

Principal, and Chief Compliance Officer

Dated January 3, 2018

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

Additional information about James Sweeney is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## Item 2: Educational Background and Business Experience

Please refer to Item 19 of the Form ADV Part 2A.

## Item 3: Disciplinary Information

Please refer to Item 19 of the Form ADV Part 2A.

## Item 4: Other Business Activities

Please refer to Item 19 of the Form ADV Part 2A.

## Item 5: Additional Compensation

James Sweeney does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Switchpoint.

## Item 6: Supervision

James Sweeney, as Owner and Chief Compliance Officer of Switchpoint, is responsible for supervision. He/She may be contacted at the phone number on this brochure supplement.

## Item 7: Requirements for State Registered Advisers

1. James Sweeney has NOT been involved in any of the events listed below.
  - a. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
    - i. An investment or an investment-related business or activity;
    - ii. Fraud, false statements, or omissions;
    - iii. Theft, embezzlement, or other wrongful taking of property;

- iv. Bribery, forgery, counterfeiting, or extortion; or
    - v. Dishonest, unfair, or unethical practices.
  - b. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
    - i. An investment or an investment-related business or activity;
    - ii. Fraud, false statements, or omissions;
    - iii. Theft, embezzlement, or other wrongful taking of property;
    - iv. Bribery, forgery, counterfeiting, or extortion; or
    - v. Dishonest, unfair, or unethical practices.
- 2. James Sweeney has NOT been the subject of a bankruptcy petition at any time.