

ADV, Part 2A

Brochure for

**Prism Financial Planning, LLC**

Dated December 31, 2023

18708 SE 45<sup>th</sup> Street

Issaquah, WA 98027

(425) 641-5717

**This brochure provides information about the qualifications and business practices of Prism Financial Planning, LLC. If you have any questions about the contents of this brochure, please contact us at (425) 641-5717.**

**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. Although Prism Financial Planning, LLC is registered as an investment adviser with the state of Washington, this does not imply a certain level of skill or training.**

**Additional information about Prism Financial Planning, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Prism Financial Planning, LLC's CRD number is 168530.**

**Material Changes:**

None.

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## Advisory Business:

Prism Financial Planning, LLC is a fee-only company which offers financial and investment advice on an hourly basis. We were organized in 2013 in the state of Washington. Amy Goan, CFP®, is the President and sole owner of the firm.

## Financial Planning Services:

While we offer many different services, we recognize that some services that are crucial to one client's Plan may not be necessary to another client's Plan. After having a discussion with you regarding your needs and objectives, a decision is made regarding which services you require of us. Some of those services may include, but are not limited to:

- Asset allocation review and recommendations (i.e. investment advice)
- Budgeting and cash flow analysis
- College savings planning
- Estate plan evaluation
- Insurance coverage review
- Long-term care review
- Retirement planning
- Tax-efficiency evaluation

The Plan will be based on the information you supply to us during our initial fact gathering process. We will explain to you our findings and recommendations, so you can get the most value from our services.

**Please note that the services we provide do not include the implementation of our recommendations.** While we will assist where possible, it is up to you to implement the Financial Plan we compile for you.

In some cases, we may refer you to other independent professionals, such as attorneys or accountants. We will work and communicate with such outside professionals, only with your written authorization.

## **Fees and Compensation:**

The fee charged by Prism Financial Planning, LLC is \$300/hour. This applies to the initial meeting and its preparation, the creation of your Financial Plan, the final meeting, as well as any follow-up work agreed to by both the financial planner and you. We will do our best to give accurate estimates of the time needed to complete any services and will be in communication with you if we feel we may exceed our estimate.

An estimate for the costs involved in the creation of your Plan will be given to you during the initial call and stated in the contract. Payment for the first meeting and its preparation will be made at the end of the first meeting. The second and final payment for the Plan will be made at the end of the final meeting, when the Plan is presented to you. Prism will send clients a written invoice, including the fee, the formula used to calculate the fee, the fee calculation itself, and the time period covered by the fee.

If you wish to terminate the contract prior to completion you must notify us in writing. You will be charged only for the hours worked up to that point.

Prism Financial Planning, LLC is not compensated for the sale of securities, mutual funds, any investment product, insurance, banking, or mortgage service.

Pursuant to WAC 460-24A-145 if a client does not receive this document at least 48 hours prior to entering into an investment advisory agreement, "the advisory client has a right to terminate the contract without penalty within five business days after entering into the contract."

## **Performance-Based Fees:**

Prism Financial Planning LLC does not charge any performance-based fees (fees based on a share of capital gains on, or capital appreciation of, the assets of a client).

## **Types of Clients:**

Prism Financial Planning LLC provides services to individuals, couples, and families who want to understand and take control of their finances. We have no minimum net worth or other investment requirements for our clients.

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

Prism Financial Planning, LLC provides advice by first getting a clear picture of your financial situation, including your needs, objectives, and tolerance for risk. We then recommend a proper asset allocation based on your situation. We make asset allocation and other investment decisions using our best judgment to help you reach your overall goals while minimizing your risk exposure.

Using information from financial publications, the investment's website, and rating agencies we analyze individual investments for your recommended asset allocation. We do this by focusing mainly on performance during different times of the market cycle, performance versus its peers and benchmarks, investment strategy, and costs, as well as other gauges of appropriateness for your financial situation. The investments we generally recommend are no-load mutual funds and index-based ETFs. Although we do not recommend individual stocks, we will discuss the appropriateness of holding them in your portfolio, if you choose to do so.

While individual investment analysis is important, we believe that the appropriate allocation of assets across diverse investment categories (i.e. stocks versus bonds, foreign versus domestic, large-cap versus small-cap, etc.) is the primary determinant of a portfolio's return and is critical to the long-term success of reaching your financial goals. We do not believe in, nor do we make recommendations based on, market-timing.

Risk is a by-product of investing. While we try to limit the risk to your portfolio to your individual risk tolerance, we can't guarantee that we will be successful. Business cycles, the economy, inflation, political issues, tax changes, international and other issues can adversely affect your portfolio's value. You must be able to bear the various risks involved in investing, which may include market risk, inflation risk, reinvestment risk, business risk, liquidity risk, interest rate risk, currency risk, and political risk, among others.

## **Disciplinary Information:**

Prism Financial Planning, LLC has no disciplinary information to report.

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

Prism Financial Planning, LLC engages only in the activities described in this brochure and does not participate in any other business activities.

Prism Financial Planning, LLC does not have arrangements with other parties or businesses that are material to its advisory business or its clients.

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

Prism Financial Planning, LLC embraces the (1) CFP Code of Ethics and Standards of Conduct found at [www.cfp.net](http://www.cfp.net), as well as (2) the Code of Ethics and Fiduciary Oath as outlined by the National Association of Personal Financial Advisors ("NAPFA") found at [www.napfa.org](http://www.napfa.org).

We will exercise our best effort to act in good faith and in your best interest at all times. We practice the fiduciary standard found in the CFP Code of Ethics that when providing financial advice to a client, " a CFP® professional must act as a fiduciary, and therefore, act in the best interests of the Client".

We will notify you in writing of any possible conflicts of interest between our business practice and you reaching your financial goals.

We may, on occasion, personally buy/sell mutual funds and ETFs which we also recommend to you. These transactions are in broadly traded investments where personal ownership is not likely to present a conflict of interest. We will not recommend an investment to clients if we feel our ownership of the investment would create a conflict of interest.

## **Brokerage Practices:**

Prism Financial Planning, LLC is not affiliated with any bank, custodian, or brokerage firm and receives no compensation from any such organization.

## **Review of Accounts:**

Prism Financial Planning, LLC does not provide continuous monitoring of its financial planning and investment advice services. However, we recommend that you engage us to review your Plan annually, or whenever there have been any material changes to your personal financial situation.

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

Prism Financial Planning, LLC does not receive, nor does it pay, any fees for client referrals. The only compensation we receive is in the form of hourly fees paid directly by our clients.

## **Custody:**

Prism Financial Planning, LLC does not take custody of client cash, bank accounts, or securities.

## **Investment Discretion:**

Prism Financial Planning, LLC does not accept discretionary authority to manage securities accounts on behalf of clients.

## **Voting Client Securities:**

Prism Financial Planning, LLC does not accept authority to vote proxies on client securities. However, upon request, we will provide advice to you regarding the voting of proxies.

## **Financial Information:**

Prism 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.

Furthermore, we are not required to supply a balance sheet since we don't solicit a prepayment of more than \$500 in fees per client, six months or more in advance.



## Requirements for State-Registered Advisers:

Below is information about Amy Goan, CFP®, President of Prism Financial Planning, LLC:

### Work Experience:

2013-present	President of Prism Financial Planning, Issaquah, WA
2009-2013	Financial Planner at Ramsey & Associates, Seattle, WA
1999-2009	Stay-at-Home Mom to three wonderful children, Issaquah, WA
1995-1999	VP, Sr. Portfolio Manager at American Century Investments, Mtn. View, CA
1991-1995	Fixed Income Portfolio Manager at Benham Capital Mgmt, Mtn. View, CA
1989-1991	Portfolio Assistant at Benham Capital Mgmt, Mtn. View, CA
1987-1989	Customer Service Representative at Benham Capital Mgmt, Mtn. View, CA

### Education:

2008	Certified Financial Planning Program	Kaplan University, online
1991	M.B.A., Business Administration, Finance	Cal State University, Hayward
1985	B.A., Business Administration, Economics	Cal State University, Hayward

To obtain a CFP® designation from the CFP Board one must complete a comprehensive course of study at a college or university offering a personal financial planning curriculum approved by the CFP Board.

Additionally, one must pass the comprehensive CFP® Certification Exam, which tests one's ability to apply financial planning knowledge to real-life situations. The exam covers the financial planning process, tax planning, employee benefits and retirement planning, estate planning, investment management and insurance. This comprehensive exam ensures that Certified Financial Planner™ professionals are highly qualified to develop a plan for your finances.

One must also have a minimum of three years of experience in the financial planning process and complete 15 hours of continuing education courses every year.

Finally, one must agree to the Standards of Conduct as defined by the CFP Rules of Conduct. This includes requiring CFP® professionals to put your interests above their own and to provide their financial planning services as a "fiduciary" — acting in the best interest of their financial planning clients. CFP® professionals are subject to CFP Board sanctions if they violate these standards.

Furthermore:

- Prism Financial Planning, LLC engages only in the activities described in this brochure and does not participate in any other business activities.
- Prism Financial Planning, LLC is not compensated with performance-based fees.
- Prism Financial Planning, LLC does not have any disciplinary information to report.
- Prism Financial Planning, LLC does not engage in any relationships not already disclosed previously in this brochure.