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Form ADV Part 2
Advisory Brochure
January 18, 2017

This brochure provides information about the qualifications and business practices of Realty Financial Planning Services, LLC. If you have any questions about the contents of this brochure, please contact Mr. Downs, CFP®¹ at (941) 366-5700.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about Realty Financial Planning Services, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. Click on the "Investment Adviser Search" link and then search for "Investment Adviser Firm" using the firm's IARD number, which is 143352.

While the firm and its associates may be registered with the State of Florida, that registration does not imply an endorsement or a certain level of skill or training beyond the state's requirement on the part of the firm or its associated personnel.

¹ Please refer to Item 19 for an explanation of professional designation's prerequisites and/or requirements.

Item 2 - Material Changes

The firm has amended its Form ADV Part 2 brochure from the previous version dated February 8, 2016 to report its assets under management as of the most recent fiscal year end; please see Item 4 for details. In addition, memberships in professional organizations have changed; please see Item 14. There have been no further material changes to disclose.

As with all firm documents, clients and prospective clients are encouraged to review this brochure in its entirety and are encouraged to ask questions at any time prior to or throughout the engagement.

The firm may at any time update this document and either send a copy of its updated brochure or provide a summary of material changes to its brochure and an offer to send an electronic or hard copy form of the updated brochure. Clients are also able to download this brochure from the SEC's Website: www.adviserinfo.sec.gov or you may contact our firm at (941) 366-5700.

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Item 4 - Advisory Business

Reality Financial Planning Services, LLC ("Reality Financial Planning Services" or the "firm") is a Florida domiciled limited liability company formed in 2007. Our firm is not a subsidiary of nor do we control another entity. In addition to our 2007 registration as an investment adviser in the State of Florida, our firm and its associates may register or meet certain exemptions to registration in other jurisdictions in which we conduct advisory business.

Mr. Joseph P. Downs, CFP® is the majority unitholder ("shareholder") and supervisory principal of our firm. Additional information about Mr. Downs may be found in Item 19 of this brochure.

Our firm provides fee-only financial planning and investment management services that, depending upon each client's unique circumstances or specific request, may be general in nature or focused on particular areas of interest or need. The firm holds itself to a *fiduciary standard*, which means Reality Financial Planning Services and its associates will act in the utmost good faith and perform in a manner believed to be in the best interest of its clients.

An estimated 45% of the firm's activities involve providing continuous supervision and consultation with respect to the investment of client assets, 5% engaged in managing client investment advisory accounts not involving investment supervisory services, 10% furnishing investment advice through consultations not included in either investment supervisory or investment management, and the remaining 40% of the firm's efforts are oriented toward "non-securities advice" such as issues involving expense budgeting and savings, education, insurance, charitable and estate planning, real estate, among others. We do not sponsor or serve as a portfolio manager in any investment program involving wrap fees.

As of December 31, 2016, our firm managed over \$37.7 million² in client assets involving both discretionary and non-discretionary accounts; over \$37.3 million and \$427,000, respectively.

Introductory Review

A complimentary interview is conducted by a qualified representative of the firm to determine the scope of services to be provided. During the initial meeting, a current Form ADV Part 2 advisory services brochure³ will be given to the client. Should the client wish to engage Reality Financial Planning Services for its services, parties must enter into a written agreement, with further discussion and analysis conducted thereafter to ascertain financial need, goals, holdings, etc., as provided by the client.

Financial advice and/or plans are based upon the information disclosed by the client or their legal agent and incorporate the client's financial situation at the time the plan is presented. In performing its services the firm may, but is not required to, verify any information received from the client or from the client's agents.

² The term "assets under management" and rounding to the nearest \$100,000 are as defined by the SEC's 2010 *General Instructions for Part 2 of Form ADV*.

³ In consonance with the SEC's 2010 *General Instructions for Part 2 of Form ADV* (page 22) requisite principal executive/ investment advisory personnel information within this document is noted in Item 19 that might otherwise be found in Form ADV Part 2B.

Financial Planning and Investment Consultation Services

The firm offers financial planning services and investment consultation relating to the various components the client may desire. Advice may be provided on such subjects as cash flow management, risk management, education funding, investment planning, retirement strategies, tax and estate planning, or other specific needs as indicated by the client.

When financial planning services focus only on certain areas of client interest or need, the client must understand that their overall financial situation or needs may not be fully addressed due to limitations they have established.

The client retains absolute discretion over all implementation decisions and is free to accept or reject any recommendation made by the firm. Further, it remains each client's responsibility to promptly notify Reality Financial Planning Services if there is a material change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising the firm's recommendations or services.

A client may also engage the firm to provide consultation where incidental investment advice is structured to meet the current needs and objectives of the client. The firm typically utilizes a long-term investment perspective, unless specifically requested to the contrary by the client.

Engagements involving financial planning and investment consultation services may be concluded upon delivery of the requested service; however, the client is encouraged to engage the firm in the future. Periodic reviews are recommended and it is assumed the client's responsibility to initiate these meetings. Unless the firm is engaged for long-term services, pursuant a written agreement or its addendum that includes review and updates, it would be the client's responsibility to engage these additional services under a new engagement.

Income Tax Return Preparation

In limited situations the firm may be engaged for the preparation of federal and state income tax returns at the client's request. Combining personal income tax return preparation with financial planning may assist clients with a thorough, coordinated understanding of their finances.

Speaking Engagements

The principal of Reality Financial Planning Services may provide speaking services on an "as announced" basis for groups desiring general advice on investments and personal finance. Topics may include issues related to asset/wealth management, financial planning, investment planning, retirement planning strategies, and/or various other economic and investment topics.

Such workshops or programs are purely educational in nature and do not involve the sale of any investment products. Information presented is not based on the individual needs of the attendees, and the firm does not provide individual investment advice to attendees during these sessions.

Investment Supervisory and Investment Management Services

Reality Financial Planning Services provides investment supervisory and investment management services to its clients through customized portfolios deemed appropriate to the client's investment objectives and tolerance for risk.

Where practical, the firm will assist the client in preparing an investment policy statement (IPS) reflecting the client's investment objectives, time horizon, reasonable account policy constraints, and risk tolerance. The IPS will be designed to be specific enough to provide guidance to the firm while concurrently allowing flexibility to respond to changing market conditions. Since the IPS will to a large extent be a product of information and data provided by the client, the client shall be responsible for review and final approval of the statement.

Each portfolio is generally constructed based on the principles of the Modern Portfolio Theory and a mathematical technique known as "mean variance optimization," both of which are described in further detail in Item 8 of this brochure. The result of this process is a portfolio allocation that potentially produces the highest possible return for a given level of risk. Typically, cost-efficient index funds, exchange traded funds (ETFs), and exchange traded notes (ETNs) are researched and selected for each asset class in the model allocation. Existing positions within a client account containing other types of securities will be evaluated and maintained when deemed appropriate. The firm will rebalance each portfolio in an attempt to maintain optimal allocation while minimizing tax exposures and trading costs.

Firm Services

The firm does not provide accounting, legal or property and casualty insurance advice. With the client's consent, the firm may work with the client's other advisers (accountants, attorney, etc.) to assist with coordination and implementation of agreed upon strategies. The client should be aware that their other advisers may bill them separately for their services and these fees will be in addition to those of the firm.

The firm will use its best judgment and good faith effort in rendering its services to its clients. Reality Financial Planning Services cannot warrant or guarantee any particular level of account performance, or that account will be profitable over time. Past performance is not necessarily indicative of future results.

Except as may otherwise be provided by law, the firm will not be liable to the client, heirs, or assigns for any loss an account may suffer by reason of an investment decision made or other action taken or omitted in good faith by the firm with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; any loss arising from the firm's adherence to the client or their legal agent's direction; or any act or failure to act by a service provider maintaining an account.

Notwithstanding the preceding, nothing within the client services agreement is intended to diminish in any way the firm's fiduciary obligation to act in the client's best interest or shall in any way limit or waive any client rights have under federal or state securities laws or the rules promulgated pursuant to those laws.

Item 5 - Fees and Compensation

Financial Planning and Investment Consultation Services

Financial planning and investment consultation services fees range from \$50 to \$200 per hour (typically \$175 per hour), billed in 15-minute increments, and a partial increment will be treated as a whole. The firm may request a deposit of \$175 for initial hourly engagements. The number of hours to complete the plan will be estimated and will depend on the level and scope of services required.

Fixed fees are generally based on the complexity of the client's issues and the anticipated number of hours estimated to provide the requested services, multiplied by the current hourly rate of \$175.

The firm may require an initial retainer of the lesser of \$500 or one-half the higher end of the estimated project fee in order to initiate extended financial planning or investment consultation services projects. Fees for these services are negotiable at the discretion of the firm principal. Any fees or project balances for financial planning and investment consultation services are due and payable upon delivery of the plan or advice.

If the client elects to further engage the firm to provide investment supervisory or investment management services, certain financial planning services fees during the initial engagement year may be waived at the discretion of the firm principal.

Services to be provided and the anticipated fee range are detailed in your written Service Agreement.

Income Tax Preparation

When the firm is engaged for the preparation of individual federal and state income tax returns, it will generally assess its current hourly rate unless negotiated or waived by the firm principal.

Speaking Engagements

While most of the engagements are *pro bono* in nature, fees for some speaking engagements and/or educational seminars are announced and negotiated with the client/program sponsor in advance. Typically, the fee is a fixed fee paid at the time of the seminar.

Investment Supervisory and Investment Management Services

Annualized asset-based fees for accounts that the firm provides investment supervisory or investment management services are calculated based on the end of quarter value of the assets under management as noted in the following table. The firm's investment supervisory and investment management services fees are negotiable at the discretion of the firm principal.

Account Asset Value	Annualized Fee
\$0 - \$300,000	1.00%
\$300,001 - \$600,000	0.85%
\$600,001 - \$1,000,000	0.65%
\$1,000,001 - Above	0.50%

Household Accounts

At its discretion, the firm may aggregate accounts (including multiple accounts) for the same individual or two or more "household accounts" within the same family, or accounts where a family member has power of attorney over another family member's account. Should, however, investment objectives be substantially different for any two or more household accounts requiring different investment approaches, the firm reserves the right to apply its fee schedule separately to each account.

Billing Cycle and Fee Assessments

Asset-based fees for investment supervisory or investment management services are billed quarterly in advance as determined by the value of assets on the last U.S. market day of the month preceding the relevant billing period. The first billing will occur in the month following the month the account is funded.

The account's market value is generally determined by the client's custodian or brokerage firm. In the absence of a market value, Reality Financial Planning Services may seek an independent third party opinion or a good faith determination by a qualified firm associate.

The applicable investment management services fees referenced include all fees and charges for the services of the firm and its investment adviser representatives.

The client will be required to authorize in writing a selected service provider to deduct advisory fees, applicable transaction charges, etc., from client accounts and all such fees will be clearly noted on client statements. The firm will concurrently send the client and selected service provider a written notice of the fees to be deducted. The client notice will include the amount of the fee to be deducted from the account, denoting the covered time period, assets under management, calculation formulas and fee(s) to be deducted. Please note that you share in the responsibility to verify the accuracy of fee calculations; the custodian of record may not verify the accuracy for you. Clients will be directly billed, with fees due upon receipt, for those accounts held by service providers which the firm does not maintain an agreement.

No-Load Products

Specific product recommendations made by the firm will usually be for "no-load" (i.e., no commission) products, if available. In some cases, such as with insurance products, there may not be a suitable selection of no-load products available for recommendation, however, neither the firm nor its associates will be paid a commission on a client's purchase.

Any transactional or custodial fees assessed by the selected custodian or clearing firm, or individual retirement account and qualified retirement plan account termination fees are borne by the client and are as provided in the current, separate fee schedule of the selected service provider. Fees paid to our firm for its services are separate from any charges that a client may pay for mutual funds, ETFs/ETNs or other investments of this type.

The firm does not receive "trailer" or 12b-1 fees from any investment company. Fees charged by the companies are detailed in prospectuses or product descriptions provided to the client. Clients are encouraged to read these documents before investing. Clients may also incur fees or charges for administration or transactions by fund companies or broker/dealers. Reality Financial Planning Services, LLC receives none of these fees or charges.

Clients will have the option to purchase recommended investments through their selected service provider. Further information about our firm's fees in relationship to its business practices are noted in Items 12 and 14 of this document.

Termination of Services

Either party may terminate the agreement at any time, which will typically be in writing. Should the client verbally notify Reality Financial Planning Services of the termination and, if in two business days following this notification the firm has not received notice in writing, the firm will make written notice of such termination in its records and will send its own termination notice to the client as a substitute.

A new client may terminate an agreement with the firm within five business days after the signing of the services agreement without penalty or charge. Should you terminate the engagement after this period, you will typically be assessed fees on a prorated basis for services incurred up until the date of termination. Our firm will promptly return any prepaid, unearned amount upon receipt of a termination notice.

At termination, the firm will not be responsible for future allocations, transactions, etc. It will also be necessary that the custodian of record be informed that the relationship between our firm and the client has been terminated.

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

Our fees will not be based upon a share of capital gains or capital appreciation (growth) of any portion of managed funds, also known as “performance-based fees.” Performance-based compensation creates an incentive for a firm or their representatives to recommend an investment that may carry a higher degree of risk to a client. We do not use a performance-based fee structure because of the conflict of interest this type of fee structure poses.

Fees will not be based on side-by-side management, which refers to a firm simultaneously managing accounts that do pay performance-based fees (such as a hedge fund) and those that do not; this type of arrangement, and the conflict of interest it may pose, does not conform to our firm’s practices.

Item 7 - Types of Clients

We provide our advisory services to individuals, trusts and estates, businesses of various scale, as well as foundations and charitable organizations to assist them in their meeting financial objectives in what we believe to be a cost-effective way. Our ability to provide our services depends on access to important information.

Accordingly, it is necessary that you provide us with an adequate level of information and supporting documentation throughout the term of the engagement, including but not limited to source of funds, income levels, your (or your legal agent’s) authority to act on behalf of the account, among other information. This helps us determine the appropriateness of our financial planning or investment strategy for you.

It is also very important that you keep us informed on significant changes that may call for an update to your financial and investment plans. Events such as job changes, retirement, a windfall, marriage or divorce, or the purchase or sale of a home or business can have a large impact on your circumstances and needs. We need to be aware of such events, so we can make the adjustments needed to your plan or advice in order to keep you on track toward your goals.

Our firm does not require minimum income levels, minimum level of assets or other conditions for our advisory services. We reserve the right to waive or reduce certain fees based on unique individual circumstances, special arrangements, or pre-existing relationships. We also reserve the right to decline services to any prospective client for any non-discriminatory reason.

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

Method of Analysis

If the firm is engaged to provide investment consultation, supervisory or management services, the client's current financial situation, needs, goals, objectives and tolerance for risk are initially evaluated. Asset allocation and investment policy decisions are made and discussed with the client to, in the adviser's best judgment, meet the client's objectives while minimizing risk exposure. The firm uses conservative fundamental and technical analysis to develop tactical long-term strategies.

Recommendations provided are based on publicly available reports, analysis and research materials, computerized asset allocation modeling programs, Monte Carlo analysis and various subscription services.

Investment Strategies

Reality Financial Planning Services' portfolios are constructed based on the principles of the Modern Portfolio Theory and a mathematical technique known as "mean variance optimization." The result of this process is a portfolio allocation that potentially produces the highest possible return for a given level of risk. Cost-efficient index mutual funds, ETFs, and ETNs are researched and selected for each asset class in the model allocation. The firm will rebalance each portfolio in an attempt to maintain optimal allocation while minimizing tax exposures and trading costs.

Portfolios may include a broader range of existing mutual fund positions, ETFs, ETNs, individual securities, derivatives, and non-correlating asset classes. Individual securities may include common or preferred stocks, bond debentures, U.S. Government issues, notes, commercial paper, etc. Derivatives typically refer to options, futures and swaps that may be used to hedge risk or to exchange a floating rate of return for fixed rate of return. Non-correlating assets would include commodities, managed futures funds, private equity and real estate that may be employed to enhance the diversity of a portfolio, typically acting as a counterbalance should investments within a portfolio of stocks and bonds fall in value. This is not an all-inclusive list.

In limited circumstances and upon client request, the firm will engage in shorter-term investment strategies.

Risk of Loss

While Reality Financial Planning Services believes its strategies and investment selection is designed to potentially produce the highest possible return for a given level of risk, it cannot warrant or guarantee that an investment objective or planning goal will be achieved. Some investment decisions made by the firm and/or client may result in loss, which may include the original principal invested. The client must be able to bear the various risks involved in the investment of account assets, which may include market, currency, interest rate, and liquidity, operational or political risk, among others.

You should be aware that the challenges involved in employing fundamental analysis is that information obtained may be incorrect; the analysis may not provide an accurate estimate of earnings, which may be the basis for a security's value. If a security's price adjusts rapidly to new information, a fundamental analysis may result in unfavorable performance. In addition, the risk of investing based on technical analyses is that it may not consistently predict future price movements; the current price of a security may reflect all known information. Further, a particular change in the market price of a security may follow a random pattern and may not be as predictable as desired.

When the firm's research and analyses is based upon commercially available software, rating services, general market and financial information, or due diligence reviews, the firm is relying upon the accuracy and validity of the information or capabilities being provided by selected vendors, rating services, market data, and the issuers themselves. The firm makes every effort to determine the accuracy of the information received but it cannot foretell events or actions taken or not taken, or the validity of all information it has researched or provided which may or may not affect the advice to or investment management of a client account or financial plan.

When employing the Modern Portfolio Theory, an investor should consider the potential risk that their broader allocation may generate lower-than-expected returns than that from a specific asset, and that the risk on each type of asset is a deviation from the average return from the asset class. The firm believes this variance from the "expected return" is generally low if the portfolio is made up of diverse, low or non-correlated assets.

Investment vehicles such as ETFs and index mutual funds have the potential to be affected by "active risk" or "tracking error risk," which might be defined as a deviation from their stated benchmark (index). Since the core of a portfolio may attempt to closely replicate a stated benchmark, the source of the tracking error or deviation may come from a "sample index" that may not as closely align the stated benchmark. In these instances, the firm may choose to reduce the weighting of a holding or use a "replicate index" as part of its core holdings to minimize the effects of the tracking error in relation to the overall portfolio.

ETFs/ETNs or mutual funds may carry additional expenses based on their share of operating expenses and certain brokerage fees, which may result in the potential duplication of certain fees. The risk of owning these types of holdings also generally reflect the risks of their underlying securities.

While many ETFs/ETNs and index mutual funds are known for their potential tax-efficiency and higher "qualified dividend income" (QDI) percentages, there are asset classes within these investment vehicles or holding periods within that may not benefit. Shorter holding periods, as well as commodities and currencies (that may be part of an ETF or mutual fund portfolio), may be considered "non-qualified" under certain tax code provisions. We consider a holding's QDI when tax-efficiency is an important aspect of the client's portfolio.

Although not a common practice of the firm, certain accounts requiring the employment of more frequent trading strategies may experience additional transactional costs or create taxable events that will be borne by the account holder; potentially reducing or negating any benefit derived by shorter term investing.

Item 9 - Disciplinary Information

Neither the firm nor any member of its management has been involved in a material criminal or civil action in a domestic, foreign or military jurisdiction, an administrative enforcement action, or self-regulatory organization proceeding that would reflect poorly upon our firm's advisory business or the integrity of our firm.

Item 10 - Other Financial Industry Activities and Affiliations

Our policies require our firm and its associates to conduct business activities in a manner that avoid or appropriately mitigate conflicts of interest between the firm, its associates, and our clients, or that may be contrary to law. We will provide disclosure to each client prior to and throughout the term of an engagement regarding any conflicts of interest that might reasonably compromise our impartiality or independence.

Neither our firm nor a member of its management is, or has a material relationship with any of the following types of entities:

- broker/dealer, municipal securities dealer, or government securities dealer or broker;
- futures commission merchant, commodity pool operator, or commodity trading adviser;
- banking or thrift institution;
- lawyer or law firm;
- pension consultant;
- real estate broker or dealer;
- sponsor or syndicator of limited partnerships;
- issuer of a security; or
- investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund).

Upon your request, you may be provided a referral to various professionals, such as an accountant, attorney or insurance representative. While these referrals are based on our best information, our advisory firm does not guarantee the quality or adequacy of the work provided by these referred professionals. Our firm does not have an agreement with or receive fees from these professionals for these informal referrals. Any fees charged by these other entities for their services are completely separate from fees charged by our firm. Please refer to Item 19 for additional details involving firm management.

Should we ever provide you with a recommendation to an unaffiliated registered investment adviser to manage your portfolio, we will first ensure we have conducted what we believe is an appropriate level of due diligence on the recommended third-party investment adviser, to include ensuring their firm is appropriately registered or notice-filed within your jurisdiction.

Please note that we are not paid for this referral nor do we share in any fees these firms may receive in managing your investment account.

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

The firm believes that its business methodologies, ethics rules, and adopted policies are appropriate to eliminate or at least minimize potential material conflicts of interest and to appropriately manage any material conflicts of interest that may remain. Clients should be aware that no set of rules can possibly anticipate or relieve all potential material conflicts of interest.

Code of Ethics

The firm has adopted a Code of Ethics that sets forth the policies of ethical conduct for all personnel and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulation but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities. The firm's policies include the prohibition against insider trading, circulation of rumors, certain political contribution activities, among others.

Firm personnel that are CFP® Practitioners or FPA members also adhere to the Certified Financial Planner Board of Standards and Code of Ethics. These principles include:

Principle 1 – Integrity

An adviser will provide professional services with integrity. Integrity demands honesty and candor which must not be subordinated to personal gain and advantage. Advisers are placed by clients in positions of trust, and the ultimate source of that trust is the adviser's personal integrity. Allowance can be made for innocent error and legitimate differences of opinion; but integrity cannot co-exist with deceit or subordination of one's principles.

Principle 2 – Objectivity

An adviser will provide professional services objectively. Objectivity requires intellectual honesty and impartiality. Regardless of the particular service rendered or the capacity in which an adviser functions, an adviser should protect the integrity of their work, maintain objectivity and avoid subordination of their judgment.

Principle 3 – Competence

Advisers will maintain the necessary knowledge and skill to provide professional services competently. Competence means attaining and maintaining an adequate level of knowledge and skill, and applies that knowledge effectively in providing services to clients. Competence also includes the wisdom to recognize the limitations of that knowledge and when consultation with other professionals is appropriate or referral to other professionals necessary. Advisers make a continuing commitment to learning and professional improvement.

Principle 4 – Fairness

Advisers will be fair and reasonable in all professional relationships. Fairness requires impartiality, intellectual honesty and disclosure of material conflict(s) of interest. It involves a subordination of one's own feelings, prejudices and desires so as to achieve a proper balance of conflicting interests. Fairness is treating others in the same fashion that you would want to be treated and is an essential trait of any professional.

Principle 5 – Confidentiality

Advisers will protect the confidentiality of all client information. Confidentiality means ensuring that information is accessible only to those authorized to have access. A relationship of trust and confidence with the client can only be built upon the understanding that the client's information will remain confidential.

Principle 6 – Professionalism

Advisers will act in a manner that demonstrates exemplary professional conduct. Professionalism requires behaving with dignity and courtesy to all who use their services, fellow professionals, and those in related professions. Advisers cooperate with fellow advisers to enhance and maintain the profession's public image and improve the quality of services.

Principle 7 – Diligence

Advisers will provide professional services diligently. Diligence is the provision of services in a reasonably prompt and thorough manner, including the proper planning for, and supervision of, the rendering of professional services.

The firm periodically reviews and amends its Code of Ethics to ensure currency, and all firm access persons are required no less than annually to attest to their understanding and adherence. Reality Financial Planning Services, LLC will provide a copy of its Code of Ethics to any client or prospective client upon request.

Privacy Policy

A copy of the firm's privacy policy notice will be provided to each client prior to, or contemporaneously with, the execution of an engagement agreement. The firm will notify its clients annually of its privacy policy and at any time, in advance, if its privacy policy is expected to change.

Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

Neither our firm nor its associates are authorized to recommend to a client, or effect a transaction for a client, involving any security in which our firm or a "related person" (associates, their immediate family members, etc.) has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

Our employees are prohibited from borrowing from or lending to a client unless the client is an approved financial institution.

Our firm is able to provide a range of advisory services to you and all of our clients. Due to our firm's ability to offer two or more services and receive a fee for each engagement, a potential conflict of interest may exist due to the extended services provided. Therefore, we note that you are under no obligation to act on our recommendations and, if you elect to do so, you are under no obligation to complete all of them through our firm or our recommended service providers.

Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

Our firm and its related persons may buy or sell securities that are 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.

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 firm principal in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

Item 12 - Brokerage Practices

Factors Used to Select Broker-Dealers for Client Transactions

Realty Financial Planning Services, LLC does not maintain custody of any client assets. Your assets must be maintained in an account at a "qualified custodian," generally a broker/dealer or bank ("service provider"). We may recommend you continue to hold assets at the service provider with whom your assets are currently maintained. Should you prefer a new service provider, our recommendation of another service provider will be based on your needs, overall cost, and ease of use.

When we are engaged to provide our investment supervisory services, we may recommend or prefer to engage the institutional services division of TD Ameritrade, Inc. ("TD Ameritrade") as your custodian and they will hold your assets in a brokerage account and buy and sell securities when we instruct them. TD Ameritrade is a FINRA and NFA member firm, maintains membership with the Securities Investor Protection Corporation (SIPC)⁴, and is an independent SEC-registered broker/dealer. Realty Financial Planning Services, LLC and TD Ameritrade are not affiliated entities.

While we recommend that you use TD Ameritrade as service provider, you will decide whether to do so and will open your account with TD Ameritrade by entering into an account agreement directly with them. We do not open the account for you, although we will assist you in doing so. If you do not wish to place your assets with TD Ameritrade, then we potentially may not be able to manage your account under our investment supervisory services engagement, however, other service alternatives may be available.

TD Ameritrade offers to independent investment advisers various services which include custody of securities, trade execution, clearance and settlement of transactions, and is described in further detail in Item 14.

We periodically conduct an assessment of any service provider we recommend, including TD Ameritrade, which may include a review of their range of services, reasonableness of fees, among other items, and in comparison to their industry peers.

⁴Realty Financial Planning Services, LLC is not, nor required to be, a Securities Investor Protection Corporation (SIPC) member firm. You may learn more about the SIPC and how it serves member firms and the investing public by going to their website at <http://www.sipc.org>.

Best Execution

Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed in the earlier paragraph. We recognize our obligation in seeking “best execution” for our clients, however, it is our belief that the determinative factor is not always the lowest possible cost but whether the selected service provider's transactions represent the best “qualitative” execution while taking into consideration the full range of services provided. Therefore, we will seek services involving competitive rates but it may not necessarily correlate into the lowest possible rate for each transaction. We have determined that having TD Ameritrade execute most trades is consistent with our duty to seek “best execution” of your trades.

We periodically review policies regarding our recommending service providers to our clients in light of our duty to seek "best execution."

Directed Brokerage

We do not require or engage in directed brokerage involving our accounts.

As our client, you may direct our firm (in writing) to use another particular broker/dealer to execute some or all transactions for your account. In these circumstances, you will be responsible for negotiating, in advance, the terms and/or arrangements for your account with your selected broker/dealer. We will not be obligated to seek better execution services or prices from these other broker/dealers, or be able to aggregate your transactions, should we choose to do so, for execution through other custodians with orders for other accounts managed by our firm. As a result, you may pay higher commissions or other transaction costs, experience greater spreads, or receive less favorable net prices, on transactions for your account than would otherwise be the case. Further, pursuant to our obligation of best execution, we may decline a request to direct brokerage if we believe any directed brokerage arrangement would result in additional operational difficulties or risk to our firm.

Aggregating Securities Transactions for Client Accounts

Transactions for each client account generally will be effected independently. Since transactions are completed separately, you may potentially pay more for your transaction than those accounts where trades have been aggregated.

If the firm decides to purchase or sell the same securities for several clients at approximately the same time, the firm may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the firm’s clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Commission prices may vary due to account size and/or confirmation receipt method.

To the extent that the firm determines to aggregate client orders for the purchase or sale of securities, including securities in which the firm or its principal(s) and/or associated person(s) may invest, the firm will generally do so in accordance with the parameters set forth in SEC No-Action Letter, *SMC Capital, Inc.* Our firm will not receive additional compensation or remuneration as a result of the aggregation.

We will review both trade aggregation procedures and allocation processes on a periodic basis to ensure they remain within stated policies and regulation. We will inform you, in advance, should our trade aggregation and allocation practices change at any point in the future.

Trade Errors

The firm corrects all trade errors through a Trade Error Account maintained by the firm's custodian, and the firm will be responsible for any losses in accounts. Likewise, the firm may also receive any gains resulting from the correction of any trade errors and, therefore, may receive a benefit.

Item 13 - Review of Accounts

Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved

Financial Planning and Investment Consultation Services

Periodic financial check-ups or reviews are recommended if you are receiving our financial planning and investment consultation services, and we recommend that they occur at least on an annual basis whenever practical. We encourage you to schedule these meetings in advance or we may contact you to determine an appropriate date to schedule the review.

Reviews will be conducted by your selected financial planner and normally involve analysis and possible revision of your previous financial plan or investment allocation.

Unless stated to the contrary in your engagement agreement, reviews are generally conducted under a new or amended agreement and will be assessed at our current hourly rate.

Investment Management and Investment Supervisory Services

Accounts are reviewed on a quarterly or more frequent basis by your selected representative and supervisory personnel. We may also engage qualified independent consultants to conduct periodic assessments.

Additional reviews may be triggered by news or research related to a specific holding, a change in our view of the investment merits of a holding, or news related to the macroeconomic climate affecting a sector or holding within that sector. Accounts may also be reviewed for an additional holding, when an increase in a current position is under consideration, or when account cash levels above or below what we deem appropriate for the investment environment given the client's stated tolerance for risk and investment objectives.

Review of Client Accounts on Non-Periodic Basis

Financial Planning and Investment Consultation Services

You are free to contact our firm for additional reviews when there are material changes that occur in your financial situation (i.e., loss of a job, early retirement, receipt of a significant bonus, an inheritance, the birth of a new child, or other circumstances).

Unless stated to the contrary in your engagement agreement, reviews are generally conducted under a new or amended agreement and will be assessed at our current hourly rate.

Investment Management and Investment Supervisory Services

Additional reviews may be triggered by news or research related to a specific holding, a change in our view of the investment merits of a holding, or news related to the macroeconomic climate affecting a sector or holding within that sector.

Accounts may also be reviewed when being considered for an additional holding or an increase in a current position.

Account cash levels above or below that deemed appropriate for the investment environment, given the client's stated tolerance for risk and investment objectives, may also trigger a review.

Content of Client Provided Reports and Frequency

If you have opened and maintained an investment account on your own or with our assistance, you will receive account statements sent directly from mutual fund companies, transfer agents, custodians or brokerage companies where your investments are held. We urge you to carefully review these statements for accuracy and clarity, and to ask questions when something is not clear.

We may provide portfolio reports if we are engaged to provide periodic asset allocation or investment advice; however, we do not provide ongoing performance reporting under our financial planning or investment consultation services engagements.

For our investment management and investment supervisory services accounts, our firm may provide quarterly portfolio statement and position performance summary reports, and annual realized gains/loss reports for taxable accounts. Some of our clients may receive additional reports depending on their specific requirements.

All firm performance reports will be prepared in accordance with appropriate jurisdictional guidance. Clients are urged to carefully review and compare account statements that they have received directly from their service provider with any report received from our firm.

Item 14 - Client Referrals and Other Compensation

Economic Benefit from External Sources and Potential Conflicts of Interest

We may receive an economic benefit from our primary custodian(s) in the form of the support products and services they make available to us and other independent investment advisers. As disclosed under Item 12, our firm participates in TD Ameritrade's institutional customer program and we may recommend TD Ameritrade to our clients for custody and brokerage services. There is no direct link between our participation in the program and the investment advice we give our clients, although our firm 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 either 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 our clients;
- access to block trading (which provides our ability to aggregate securities transactions for execution and then allocate the appropriate shares to our client's accounts);
- the ability to have advisory fees deducted directly from our client's accounts per our written agreement;
- 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 our firm by third party vendors.

TD Ameritrade may also have paid for business consulting and professional services received by our firm. Some of the products and services made available by TD Ameritrade through the program may benefit our firm but may not benefit client accounts. These products or services may assist us in managing and administering our client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help our firm manage and further develop our business enterprise. The benefits received by our firm or its associates through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade.

As part of our fiduciary duty, Reality Financial Planning Services, LLC endeavors at all times to put the interests of our clients first. Our clients should be aware, however, that the receipt of any economic benefit by our firm or its associates in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for its custody and brokerage services.

Our firm may also receive from TD Ameritrade certain additional economic benefits ("additional services") that may or may not be offered to other independent investment adviser participating in their program. TD Ameritrade provides these additional services to our firm in its sole discretion and at its own expense, and our firm does not pay any fees to TD Ameritrade for these additional services. Our receipt of any additional services raises potential conflicts of interest and, in providing these additional services to our firm, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, our firm's client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the additional services agreement with our firm in its sole discretion, provided certain conditions are met.

Consequently, in order to continue to obtain the additional services from TD Ameritrade, our firm may have an incentive to recommend to its clients that the assets under management by Reality Financial Planning Services, LLC be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. Our receipt of these additional services does not diminish our duty to act in the best interests of our clients, including seeking best execution of trades for client accounts.

Client Referrals

Our firm does not engage in solicitation activities as defined statute, nor does it pay a direct or indirect fee for referrals.

Investment adviser representatives of the firm may also hold individual membership or serve on boards or committees of professional industry associations such as the Financial Planning Association (FPA) and the Certified Financial Planner Board of Standards, Inc. Generally, participation in these entities requires membership fees to be paid, adherence to ethical guidelines, as well as in meeting experiential and educational requirements.

An added benefit these entities may provide to the investing public is the availability of an electronic map on their website that allows interested parties (prospective clients) to search for participant firms (such as Reality Financial Planning Services, LLC) or individual planners within a selected area. These passive website listings provide a means for interested persons to contact a firm or individual planner via electronic mail or telephone number so that the interested person may interview the participant firm or an individual planner. Members of the public may also choose to telephone association support staff to inquire about a firm or individual planner within their area, and would receive the same information.

Prospective clients locating our firm or one of our associates via these methods are not actively marketed by the noted associations. Clients who find us in this way do not pay more for their services than clients referred to us in another fashion, such as by another client. We do not pay these entities for prospective client referrals, nor is there a fee-sharing arrangement reflective of a solicitor engagement.

Item 15 - Custody

Your funds and securities will be maintained by an unaffiliated, qualified custodian, such as a bank, broker/dealer, mutual fund companies, or transfer agent. Your assets are not held by our firm or any of our associates. In keeping with our policy of not having custody of our client funds or securities, we:

- Restrict our firm and associates from serving as trustee or having general power of attorney over a client account.
- Are prohibited from having physical custody of client securities or assets. Fee withdrawals for our advisory services or transaction settlement must be accomplished through a qualified custodian maintaining your assets (i.e., your custodian of record), and pursuant to your prior written approval.
- Do not accept or forward client securities (i.e., stock certificates) erroneously delivered to our firm.
- Will not collect advance fees of \$500 or more for services that are to be performed six months or more into the future.
- Will not authorize any associate to have knowledge of a client's account access information (i.e., online 401(k), brokerage or bank accounts), even for the convenience or accommodation of the client or their legal agent, if such access would result in physical control of account assets.

You will be provided with transaction confirmations and summary account statements provided directly to you by your selected service provider. Typically, these statements are provided on a

monthly or quarterly basis, or as transactions occur. We will not create a statement for you nor be the sole recipient of account statements.

You may receive periodic reports from our firm that may include investment performance information. You are urged to carefully review and compare your account statements that you have received directly from your service provider with any report you receive from our firm.

Item 16 - Investment Discretion

We may provide our various forms investment advisory services under either *discretionary* or *non-discretionary* account authority as determined by your written engagement agreement. Please note that we generally provide our investment supervisory services under a discretionary account agreement. Similar to a limited power of attorney, *discretionary authority* allows our firm to implement investment decisions, such as the purchase or sale of a security on behalf of your account, without requiring your authorization for each transaction in order to meet your stated account objectives.

Should you prefer your account to be managed in a *non-discretionary* manner, your prior approval must be made for each transaction with regard to the investment and reinvestment of account assets or for the firm to give instructions to the service provider maintaining your account. The service provider will specifically limit the firm's authority in the account to the placement of trade orders and the deduction of advisory fees. In light of the requirement for your pre-approval, you must make yourself available and keep us updated on your contact information so that instructions can be efficiently effected on your behalf.

We will retain information about all client account directions, limitations and rescissions that are reviewed and approved by a supervisory principal with our firm.

Item 17 - Voting Client Securities

Our firm does not vote proxies on your behalf nor do we offer guidance on how to vote proxies. You will maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities that are beneficially owned by you shall be voted, as well as making all other elections relative to mergers, acquisitions, tender offers or other events pertaining to your holdings.

We will have no power, authority, responsibility, or obligation to take any action with regard to any claim or potential claim in any bankruptcy proceeding, class action securities litigation or other litigation or proceeding relating to securities held at any time in a client account, including, without limitation, to file proofs of claim or other documents related to such proceeding, or to investigate, initiate, supervise or monitor class action or other litigation involving client assets.

You may receive proxies or other similar solicitations directly from your selected custodian or transfer agent. Should we receive a duplicate copy, note that we do not generally forward these or any correspondence relating to the voting of your securities, class action litigation, or other corporate actions.

Item 18 - Financial Information

Balance Sheet

Our firm will not take physical custody of your assets. Advisory fee withdrawals must be done through a qualified intermediary (e.g., custodian of record) per your written approval.

Our firm engagements do not require the collection of fees from you of \$500 or more for advisory services to be performed six months or more in advance.

Neither the firm nor Mr. Downs serves as general partner for a partnership or trustee for a trust in which an advisory firm client is either a partner of the partnership or beneficiary of the trust.

Due to the nature of the firm's advisory services and operational practices, an audited balance sheet is not required by statute nor included with this brochure.

Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

The firm and its management do not have a financial condition likely to impair our ability to meet our commitment to our clients.

Bankruptcy Petitions during the Past 10 Years

The firm and its management have not been the subject of a bankruptcy petition at any time during the past 10 years.

Item 19 – Requirements for State-Registered Advisers

Regulatory guidance requires advisory firms to disclose relevant post-secondary education and professional training for each principal executive and associate of the firm, as well as their business experience for at least the most recent five years.

Principal Executive Officers and Management Persons

Managing Member/Firm Principal/Financial Planner/Investment Adviser Representative

Joseph P. Downs, CFP® (Born 1959)

Educational Background and Business Experience

Educational Background

Lindenwood University, St. Charles, MO
CERTIFIED FINANCIAL PLANNER™, CFP®⁵ - Certified Financial Planner Board of Standards, Inc.
Uniform Investment Adviser Law Examination⁶/NASAA Series 65

Business Experience

Principal - Reality Financial Planning Services, LLC (2007-Present)
Vice President - Coastal Advisory Services (2003-2007)
Investment Adviser Representative - Southwest Securities, Inc. (2003-2007)
Investment Adviser Representative/Registered Representative - CUNA Mutual Group (2001-2003)
[Registered Representative with various firms since 1993]

Other Business Activities

Mr. Downs is not engaged in another reportable business activity at this time. He is not registered, nor has an application pending to register, as a registered representative of a broker/dealer or associated person of a futures commission merchant, commodity pool operator, or commodity trading adviser. Therefore, he does not receive commissions, bonuses or other compensation based on the sale of securities, including that as a registered representative of a broker/dealer or the distribution or service ("trail") fees from the sale of mutual funds.

Additional Compensation

Neither the firm nor its management has a material relationship with or serves as a senior executive of or insider to an issuer of a security. Mr. Downs is not compensated for advisory services involving performance-based fees, and firm policy does not allow associated persons to accept or receive additional economic benefit, such as sales awards or other prizes, for providing advisory services to firm clients.

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 each supervised person providing investment advice. No information is applicable to this Item. There are no criminal or civil actions, administrative enforcement proceedings, self regulatory organization enforcement proceedings or any other proceedings applicable to Reality Financial Planning Services, LLC or Mr. Downs.

Supervision

Mr. Downs serves in multiple capacities with the firm such as managing member, firm principal, and investment adviser representative. The firm recognizes that not having all organizational duties segregated may potentially create a conflict of interest; however, the firm employs policies and procedures to ensure timely recordkeeping and supervision. Certain functions may be outsourced to assist in these efforts when deemed necessary. Questions relative to the firm, staff, its services, or this Form ADV Part 2 may be made to the attention of Mr. Downs at (941) 366-5700.

Additional information about the firm, other advisory firms, or associated investment adviser representatives is available on the Internet at www.adviserinfo.sec.gov. A search of this site for firms or their associated personnel can be accomplished by name or a unique firm identifier, known as an IARD number. The IARD number for Reality Financial Planning Services, LLC is 143352, and Mr. Downs' number is 2416480. The business and disciplinary history of an investment advisory firm and its representatives may also be obtained by calling the Florida Division of Securities at (800) 848-3792.

Requirements for State-Registered Advisers

There have been neither arbitration awards nor any awards where Reality Financial Planning Services, LLC or Mr. Downs has been found liable in any civil, self-regulatory or administrative proceeding. Reality Financial Planning Services, LLC and Mr. Downs have never been the subject of any bankruptcy petition.

⁵The **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.

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.

⁶NASAA examinations are "criterion based;" candidates who pass the exam are considered to have met the minimum competency level. The completion of a securities industry examination does not constitute or imply a person is “approved” or “endorsed” by a securities regulatory organization or state securities commissioner.