

Form ADV Part 3: Relationship Summary Polaris Financial Planning, LLC

Introduction

Polaris Financial Planning, LLC is an investment adviser registered with the U.S. Securities and Exchange Commission. I offer my clients investment advisory services. Clients should understand that the services I, Philip Lee Ferguson, provide and fees I charge are different than those of a broker-dealer, and that it is important to understand the difference between the two. Free and simple tools are available to research firms and financial professionals at <https://www.investor.gov/CRS>, which also provides educational materials about investment advisers, broker-dealers and investing.

What Investment Services and Advice Can You Provide Me?

Description of Services: Polaris provides Asset Management Services which involves me managing and trading your designated account(s). I will discuss your investment goals and design a strategy to try and achieve your investment goals. As a standard part of my services, I will continuously monitor your account when providing asset management services and contact you at least annually to discuss your portfolio. For more information, please see **Item 4** of my firm's **Form ADV Part 2A**. Asset management services are provided on a **discretionary** basis, meaning I will have the authority to determine the type and amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction. For more information about investment authority, please see **Item 16** of our **Form ADV Part 2A**.

Limited Investment Offerings: I primarily recommend mutual funds. When providing you services, I do not recommend or offer advice on any proprietary products.

Account & Fee Minimums: I require a minimum of \$2,000,000 in order to open an account managed by my firm. To reach this account minimum, you can aggregate all household accounts.

Conversation Starters: *Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

What Fees Will I Pay?

Description of Principal Fees & Costs: Fees charged for our asset management services are charged based on a percentage of assets under management, billed in advance of the billing period. The annual fee for asset management services will be based upon a fee schedule which ranges between 0.50% and 1.00%.

Because our fee is based upon the value of your account, I have an incentive to recommend that you increase the level of assets in your account. When engaging my firm for asset management services, you will also incur other fees and expenses. The broker-dealer/custodian on your account will charge you fees and expenses. You will also be charged internal fees and expenses by the funds held within your account.

Additional Information: You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For more information about the fees, I charge and the other fees and expenses you will incur, please see **Item 5** of **Form ADV Part 2A**.

Conversation Starters: *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

***What Are Your Legal Obligations to Me When Acting as My Investment Adviser?
How Else Does Your Firm Make Money and What Conflicts of Interest Do You Have?***

Standard of Conduct: When I act as your investment adviser, I have to act in your best interest and not put my interests ahead of yours. At the same time, the way I make money creates some conflicts with your interests. You should understand and ask me about these conflicts because they can affect the investment advice, I provide you. Here are some examples to help you understand what this means.

To the extent I recommend you roll over your account from a current retirement plan to an individual retirement account (“IRA”) managed by my firm and subject to our asset-based investment advisory fees, this is a conflict of interest because I have a financial incentive to recommend that you move your IRA to my firm even if it is not in your best interest. For more information about this conflict and my procedures to mitigate the conflict, see **Item 4** of our **Form ADV Part 2A**.

When I provide asset management services, I will ask that you establish an account with Charles Schwab & Company, Inc. to maintain custody of your assets and to effect trades for your account. Our recommendation to use Charles Schwab is not based solely on your interest of receiving the best execution possible. I also recommend Charles Schwab because they provide my firm with research, products and tools that help me manage and further develop my business operations. As a result, I do not have to pay for such benefits, which saves me money; however, these arrangements create a conflict of interest. See **Item 12** of my **Form ADV Part 2A** for more information about my arrangement with Charles Schwab. I actively manage my own personal accounts while at the same time managing your accounts and other client accounts. This creates different conflicts of interest for which I have developed procedures to mitigate and control for those conflicts. For more information see **Item 11** of **Form ADV Part 2A**.

Conversation Starters: *How might your conflicts of interest affect me, and how will you address them?*

Additional Information: For more information about our conflicts of interests and the ways the firm is compensated, please see **Item 5** and **Item 10** of our **Form ADV Part 2A**.

How Do Your Financial Professionals Make Money?

Description of Salary/Payment of IARs: My compensation is directly based on the level of assets managed by my firm. This creates a conflict of interest as it gives me an incentive to recommend you invest more in your account with Polaris Financial Planning due to the potential for increased payments.

Do You or Your Financial Professionals Have Legal or Disciplinary History?

No. Neither I nor Polaris Financial Planning has a legal or disciplinary history to report. You can look up more information about the firm and me at <https://www.investor.gov/CRS>.

Conversation Starters: *As a financial professional, do you have any disciplinary history? For what type of conduct?*

Additional Information About Polaris

Additional information about my firm and a copy of this relationship summary are available on the Internet at <http://polarisfinancialplanning.com/>. You can also find our disclosure brochures and other information about my firm at <https://adviserinfo.sec.gov/firm/summary/123035>. If you have any questions or want an up-to-date copy of this relationship summary, I can be reached by phone at 217-597-1516.

Conversation Starters: *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*

Amended Form ADV Part 3: Relationship Summar

Polaris Financial Planning, LLC Summary of Material Changes Exhibit

January 2024

This is a Summary of Material Changes to our Form ADV Part 3, which describes the material changes since our Form ADV Part 3 was last filed in July 2022. Changes to our Form ADV Part 3 include the following:

- I removed all references to TD Ameritrade, Inc. due to the transition of moving our clients' managed accounts away from TD Ameritrade, Inc. to Charles Schwab & Company, Inc. In November 2019, the two firms announced they had entered into a definitive agreement for Charles Schwab & Company, Inc. to acquire TD Ameritrade in an all-stock transaction. As a result of that acquisition, client accounts managed by Polaris Financial Planning, LLC held at TD Ameritrade are now Charles Schwab & Company, Inc. accounts.