

Harvard Square Financial Planning, LLC

Registered Investment Adviser

CRD# 166131

Harvard Square Financial Planning, LLC

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Form ADV Part 2 Advisory Brochure

February 29, 2024

This Form ADV Part 2 brochure provides information about the qualifications and business practices of Harvard Square Financial Planning, LLC. If you have any questions about the contents of this brochure, please contact Ms. Koenig, CFP® at (781) 652-8862.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or any state securities administrator. Additional information about Harvard Square Financial Planning, LLC 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 166131.

While the firm and its associates may be registered and/or licensed within a particular jurisdiction, that registration and/or licensing in itself does not imply an endorsement by any regulatory authority, nor does it imply a certain level of skill or training on the part of the firm or its associated personnel.

Item 2 – Material Changes

The firm has amended its Form ADV Part 2 Brochure since the previous version dated February 14, 2023, as part of the firm's annual updating amendment. The firm has amended its hourly fees; please see Item 5 of this Brochure for details. No other material changes have occurred. For future filings this section of the brochure may address only those material changes that have occurred since the firm's last annual update.

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 may contact our firm at (781) 652-8862 to request a copy at any time.

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 has amended its Form ADV Part 2 Brochure since the previous version dated February 14, 2023, as part of the firm's annual updating amendment; please see Item 4 for information regarding advice involving retirement plans. No other material changes have occurred.

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Important Information

Throughout this document Harvard Square Financial Planning, LLC shall also be referred to as “Harvard Square Financial Planning,” the “firm,” “our,” “we” or “us.” These terms are utilized for the reader’s ease of use while reviewing the brochure and are not meant to imply the firm is larger than it actually may be at the time of publication. The client or prospective client may be also referred to as “you,” “your,” etc., and refers to a client engagement involving a single *person* as well as two or more *persons*.

This brochure contains 24 pages and should not be considered complete without all pages.

Item 4 - Advisory Business

Description of the Firm

Harvard Square Financial Planning is a Massachusetts domiciled limited liability company formed in 2012. Our firm is not a subsidiary of, nor do we control another financial services industry entity. In addition to our 2013 registration as an investment adviser in the Commonwealth of Massachusetts, our firm and its associates may register or meet certain exemptions to registration in other jurisdictions in which we conduct investment advisory business.

Ms. Koenig, noted in Item 19 of this brochure, is the firm's Managing Member, Principal (firm supervisor), and majority unit holder (shareholder).

Description of Advisory Services Offered

Typically, we begin by conducting a complimentary interview to determine the scope of services for your engagement. During or prior to your first meeting, you will be provided with a current ADV Part 2 advisory brochure¹ that incorporates our privacy policy. The firm will also ensure any material conflicts of interest are disclosed that could be reasonably expected to impair the rendering of unbiased and objective advice.

Should you wish to engage Harvard Square Financial Planning for its services, we must first enter into a written agreement (our client services agreement); thereafter, discussion and analysis will be conducted to determine your financial needs, goals, holdings, etc. Depending on the scope of the engagement, you may be asked to provide current copies of the following documents early in the process:

- Wills, codicils, and trusts,
- Insurance policies,
- Mortgage information,
- Tax returns,
- Current financial specifics including W-2s or 1099s,
- Information on current retirement plans and benefits provided by your employer,
- Statements reflecting current investments in retirement and non-retirement accounts, and
- Completed risk profile questionnaires or other forms provided by our firm.

It is important that the information and financial statements you provide is accurate. The firm may, but is not obligated to, verify the information you have provided, which will then be used in the financial planning or investment advisory process.

Financial Planning and Investment Consultation Services

Financial planning and investment consultation services may be broad-based (sometimes coined "comprehensive planning") or more narrowly focused as you may desire. If several or all of the services described are provided together through a broad-based plan, the total time needed to complete these services may be less than the time it would take to complete each service separately because of the efficiency gained by combining more than one service.

¹ In consonance with the SEC's 2010 *General Instructions for Part 2 of Form ADV* (page 22), the firm provides requisite principal executive/advisory personnel information within this document that might otherwise be found in Form ADV Part 2B.

Cash Flow and Debt Management

A review of your income and expenses will be conducted 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. Recommendation may also be made with respect to appropriate cash reserves for emergencies and other financial goals, and a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

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”).

Employee Benefits

We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible in 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.

Retirement Planning

Retirement planning services typically include projections of your likelihood of achieving your financial goals, with financial independence usually the primary objective. For situations where projections show less than the desired results, a recommendation may include showing you the impact on those projections by making changes in certain variables (i.e., working longer, saving more, spending less, taking more risk with investments). If you are near retirement or already retired, 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.

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.

Education Funding

College funding advice may include projecting the amount that will be needed to achieve post-secondary education funding goals, along with savings strategies and the “pros-and-cons” of various college savings vehicles that are available.

Estate Planning

Review and advice usually involve an analysis of your exposure to estate taxes and your current estate plan; determining 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 someone 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.

Investment Consultation

Our investment consultation services may involve providing information on the types of investment vehicles available, employee stock options, investment analysis and strategies, asset selection and portfolio design, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian (collectively, we term as “service providers”).

Where appropriate, we will prepare an investment policy statement (IPS) or similar document reflecting your investment objectives, time horizon, tolerance for risk, as well as any account constraints you may have for the portfolio. Your IPS will be designed to be specific enough to provide future guidance while allowing flexibility to work with changing market conditions. Since the IPS, to a large extent, will be a product of information and data you have provided, you will be responsible for reviewing and providing final approval of the document/plan.

The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure. We will only offer investment consultation services through non-discretionary account authority agreements (see Item 16).

Periodic Review

We strongly urge our clients to notify us of any change in their circumstances, and to schedule a review any time there is such a change. An annual review should be considered even if there is not a substantial change due to tax and estate laws, as well as insurance and investment products are rapidly evolving. Additional information may be found in Item 13 with regard to our review process.

Educational Workshops

Harvard Square Financial Planning offers periodic financial educational sessions for those desiring general advice on personal finance and investing. Topics may include issues related to financial planning, college funding, estate planning, retirement strategies, or various other economic and investment topics. Our workshops are educational in nature and do not involve the sale of insurance or investment products. Information presented will not be based on any one person’s need nor do we provide individualized investment advice to attendees during our general sessions.

Client-Tailored Services and Client-Imposed Restrictions

Broad-Based v. Modular Financial Planning

A broad-based plan is an endeavor that requires detail; therefore, certain variables can affect the cost involved in the development of the plan: the quality of your own records, complexity and number of current investments, diversity of insurance products and employee benefits you currently hold, size of the potential estate, special needs of the client or their dependents, among others.

While certain broad-based plans may require 10 or more hours to complete, complex plans may require more than 20 hours. Alternatively, we may concentrate on reviewing only a specific area (modular planning), such as college funding, a portfolio allocation, or evaluating the sufficiency of your retirement plan.

Note that when these services focus only on certain areas of your interest or need, your overall situation or needs may not be fully addressed due to limitations you may have established. Whether we have created a broad-based or modular plan, we will present you with a summary of our recommendations and guide you in the implementation of some or all of them.

Unless stated otherwise in your agreement with our firm, upon completion of our presentation or delivery of advice, our financial planning and investment consultation engagement is typically concluded. We recommend that you return for periodic reviews.

In all instances involving our financial planning and investment consultation services, our clients retain full discretion over all implementation decisions and are free to accept or reject any recommendation we make.

Investment Account Restrictions

As noted in your IPS or similar document, we will account for any reasonable restrictions you may require for the management of your investment account(s). For example, a client may prefer to avoid or require certain types of holdings (e.g., “sin stocks,” international or small cap stocks, etc.) in their portfolio.

We want to point out that it will remain your responsibility to promptly notify us if there is any change in your financial situation and/or investment objectives for the purpose of our reviewing, evaluating, or revising previous account restrictions or firm investment recommendations.

Wrap Fee Programs

Our firm does not sponsor or serve as a portfolio manager in any investment program involving wrap fees.

Client Assets Under Management

Due to the nature of our firm’s advisory services offering, we do not have reportable client assets directly under our management.²

General Information

Harvard Square Financial Planning, LLC does not provide legal, accounting, or ongoing and continuous asset management services. With your consent, we may work with your other professional advisers to assist with coordination and implementation of accepted strategies. You should be aware that these other advisers will charge you separately for their services and these fees will be in addition to our own advisory fees.

Our firm will use its best judgment and good faith effort in rendering its services. Harvard Square Financial Planning cannot warrant or guarantee any particular level of account performance or that your account will be profitable over time. Past performance is not necessarily indicative of future results.

Except as may otherwise be provided by law, our firm will not be liable to the client, heirs, or assignees for any loss an account may suffer by reason of an investment decision made or other action taken or omitted in good faith by our 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 our adherence to your direction or that of your legal agent; any act or failure to act by a service provider maintaining an account.

² The term “assets under management” as defined by the SEC’s *Form ADV: Instructions for Part 1A* (OMB Number: 3235-0049).
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Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith and, therefore, nothing contained in this document shall constitute a waiver of any rights that a client may have under federal and state securities laws.

Retirement Plan Advice and Rollovers

As a registered investment adviser, our firm is a fiduciary to every client, meaning that we are obligated to act in our clients' best interests at all times. In addition to our fiduciary status as an investment adviser firm, when our firm provides advice to retirement investors, such as advice on an employer-sponsored retirement plan, Individual Retirement Account (IRA) or other qualified retirement plan, we may also be considered by the Department of Labor and the Internal Revenue Service to be acting as a fiduciary under Title I of ERISA and the Internal Revenue Code. These fiduciary obligations include requirements that we disclose our services and fees, conflicts of interest, and the reasons our recommendations are in the client's best interests.

After an analysis of the client's situation and plan documents, we will consider relevant factors including but not limited to the following:

- Alternatives to rolling the employer plan to an IRA, including leaving the money in an employer's retirement plan (if permitted); rolling the money to a new employer plan if available; or cashing out;
- The fees and expenses associated with both the employer's plan and the rollover IRA (or other alternatives such as noted above) and whether the employer currently pays for some or all of the plan's expenses;
- The different levels of services and investments available under the employer plan and the rollover IRA, and other alternatives;
- Evidence that a rollover is the most appropriate choice in light of any additional costs and the resultant decrease in the client's returns;
- How withdrawals are treated under each alternative (*e.g.*, penalties up to age 55 vs. 59-1/2).
- Protection from creditors and legal judgments (unlimited vs. bankruptcy only; federal- and state-specific).
- Required minimum distributions.
- Tax implications of rolling shares of employer stock.
- The impact of economically significant investment features such as surrender schedules and index annuity cap and participation rates (such as in an employer-sponsored 403(b) plan account).
- Any other relevant variables particular to the client's situation.

The client will be made aware of conflicts of interest including but not limited to whether our firm will profit from a recommendation through financial planning and/or investment management fees, and whether services we offer are already provided by or available through the current plan, potentially at no additional cost.

Item 5 - Fees and Compensation

Method of Compensation and Fee Schedule

Hourly Fees

We are engaged for our financial planning and investment consultation services under an hourly fee arrangement. The hourly rate is \$220 per hour; billed in 15-minute increments (four increments per hour), and a partial increment will be treated as a whole increment. Prior to entering into an agreement with the firm you will receive an estimate of the fee range based on your plan requirements.

Educational Workshops

Fees charged to educational workshop attendees or an event sponsor (e.g., employer, association, etc.) will vary based upon the length or number of sessions involved, cost of materials, use of additional speakers, etc. A fixed fee ranging from \$100 to \$5,000 per attendee and/or event and will be announced in advance of the first session or as negotiated with the sponsor. Reasonable and customary travel costs may be expensed to event sponsors and will be agreed upon in advance.

Negotiable Fees

The services to be provided to you and their respective fees will be detailed in your engagement agreement. Our published fees may be discounted by our firm, but they are not negotiable.

We strive to offer fees that are fair and reasonable in light of the experience of the firm and the services to be rendered to our clients, however, similar services may be made available from other providers and potentially at a lower fee.

Client Payment of Fees

Fees are due upon your receipt of our invoice. Hourly engagements greater than 30 days in duration may be billed in arrears on a monthly basis.

Payment may be made by check or cashier's draft from a US-based bank. We do not accept cash or similar forms of payment for our engagements.

Additional Client Fees

Any transactional or service fees (sometimes termed *brokerage fees*) assessed by a selected service provider (i.e., a custodian), individual retirement account fees, or account termination fees will be borne by the accountholder and are per those provided in current, separate fee schedules of any selected service provider.

Fees paid by our clients to our firm for our advisory services are separate from any transactional charges a client may pay, as well as those for mutual funds, exchange-traded funds (ETFs), exchange-traded notes (ETNs), or other investments of this type.

Interest at 10% per year may be assessed on our firm's advisory services fee balances that are more than 45 days past due. Further, we reserve the right to suspend our advisory services once an account is deemed past due.

Additional information about our fees in relationship to our business practices are noted in Items 12 of this document.

Charged Prepayment of Client Fees

Advance Payment for Certain Services

We reserve the right to require an initial deposit in the amount of \$500 or one-half of the upper end of the estimated fee range (whichever is greater), and this deposit will be defined in your engagement agreement.

Termination of Services

Either party may terminate the agreement at any time, which will typically be in writing. Should you verbally notify our firm of the termination and, if in two business days following this notification, we have not received your notice in writing, we will make a written notice of the termination in our records and send you our own termination notice as a substitute.

If our ADV Part 2 advisory brochure was not delivered to you at least 48 hours prior to entering into the investment advisory contract, then you have the right to terminate the engagement without penalty within five business days after entering into the agreement. Should you terminate an engagement after this time period, you may be assessed fees for any time or charges incurred by our firm in the preparation of your plan or investment allocation. We will promptly return any prepaid, unearned amount upon receipt of termination notice.

Our firm will not be responsible for future financial planning or investment advice upon receipt of a termination notice.

External Compensation for the Sale of Securities to Clients

We do not charge or receive a commission or mark-up on your securities transactions, nor will the firm or an associate be paid a commission on your purchase of a securities holding that we recommend.

We do not receive “trailer” or SEC Rule 12b-1 fees from an investment company we may recommend. Fees charged by issuers are detailed in prospectuses or product descriptions and you are encouraged to read these documents before investing. Our firm and its associates receive none of these described or similar fees or charges.

You will always have the option to purchase recommended or similar investments through the service provider of your choice.

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.

Our 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

Harvard Square Financial Planning helps members of the nonprofit community and their families understand their financial situations and make practical, well-informed decisions about the financial implications of life’s transitions. Our ability to provide our services depends on access to important information about our clients.

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, and an accountholder or their 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 changes in employment or marital status, an unplanned windfall, 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.

Harvard Square Financial Planning does not require minimum income levels, minimum level of assets or other conditions for its 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

Methods of Analysis and Investment Strategies

Method of Analysis

If we are engaged to provide investment advice, we will first gather and consider several factors, including your:

- current financial situation,
- current and long-term needs,
- investment goals and objectives,
- level of investment knowledge,
- tolerance or appetite for risk, and
- restrictions, if any, on the management of your portfolio.

Our firm generally employs a fundamental analysis; evaluating economic factors including interest rates, the current state of the economy, or the future growth of an industry sector. The firm's research may be drawn from sources that include economists and other industry professionals, corporate rating services, financial periodicals, annual reports, prospectuses and regulatory filings.

Investment Strategies

We recognize that each client's needs and goals are different, therefore, recommended investment strategies and underlying investment vehicles may vary. The following reference those that we generally ascribe in serving our clients' portfolios:

Passive Investment Management

Investment managers employing this strategy generally ascribe to and construct portfolios based on the principles of the Modern Portfolio Theory which is based on the belief that proper diversification and risk management will provide an investor client with a more stable and consistent return over time. It has been statistically determined that a properly diversified portfolio, consisting of an appropriate weighting in different asset classes, will generally outperform most asset classes over time.

The practice of Modern Portfolio Theory does not employ market timing nor stock selection methods of investing but rather a long term buy-and-hold strategy with periodic rebalancing of the account to maintain desired risk levels.

Core + Satellite Strategy

A Core + Satellite investment strategy blends passive based (or index) and active investing, where passive investments are used as the basis or “core” of a portfolio and actively managed investments are added as “satellite” positions. With this strategy, the portfolio core holdings are indexed to potentially more efficient asset classes, while outlying selections are often limited to active holdings that are attempting to outperform a particular sector, or a selection of particular positions to increase core diversification, or to improve portfolio performance, or reduce risk during downward trends in the market and during times of uncertainty.

For example, the core of a portfolio may be built with passive based institutional mutual funds; satellite holdings would include actively managed mutual funds or separately managed accounts that have unique strategies that are believed capable of adding value beyond a stated benchmark over a full market cycle. The core may represent the majority of the total portfolio, using primarily index funds or index-based ETFs/ETNs. The remainder of the portfolio may then employ mutual funds or ETFs/ETNs that take a shorter duration to assist in the over-or-under allocation to specific sectors, regions, assets classes, etc.

Investment Vehicles Generally Recommended

We will strive to develop portfolios that contain investment vehicles that are diversified, tax-efficient, and low-cost investments whenever practical. Although it is common to find a broad range of index mutual funds, ETFs and ETNs within a portfolio, certain accounts may necessitate holding actively managed mutual funds, individual equity and fixed income holdings, certificates of deposit (CDs) and money markets,³ among others, to create as broad a diversification as necessary to meet demands of the portfolio or to effectively employ pre-existing holdings.

We make asset allocation and investment policy decisions based on these and other factors. We will discuss with you how, in our best judgment, to meet your objectives while at the same time seeking a prudent level of risk exposure.

Investment Strategy and Method of Analysis Material Risks

Investment Strategy Risks

We believe our strategies and investment recommendations are designed to produce the appropriate potential return for the given level of risk; however, we cannot guarantee that an investment objective or planning goal will be achieved. As an investor you must be able to bear the risk of loss that is associated with your account, which may include the loss of some or your entire principal. In general, risks regarding markets include interest rates, company, and management risk, among others.

³ Harvard Square Financial Planning may recommend but does not purchase and/or distribute certificates of deposits, money market accounts or similar savings vehicles for client accounts. Harvard Square Financial Planning is not a financial institution, is not a member of the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Association (NCUA), nor is required to be an FDIC or NCUA member. You may learn more about the FDIC or NCUA and how they serve financial institution depositors/members by going to their website at www.fdic.gov or www.ncua.gov. Securities recommended through our advisory firm are not FDIC or NCUA/NCUSIF-insured.

Examples include:

Company Risk

When investing in securities, there is always a certain level of company or industry-specific risk that is inherent in each company or issuer. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. This is also referred to as *unsystematic risk* through appropriate diversification.

Core + Satellite Strategy Risks

Strategies involving Core + Satellite investing may have the potential to be affected by “active risk” or “tracking error risk,” which might be defined as a deviation from the stated benchmark. Since the core portfolio attempts to closely replicate a stated benchmark, the source of the tracking error or deviation may come from a satellite portfolio or position, or from a “sample” or “optimized” index fund or ETF/ETN that may not as closely align the stated benchmark. In these instances, a portfolio manager may choose to reduce the weighting of a satellite holding, utilize very active satellites, or use a “replicate index” position as part of its core holdings to minimize the effects of the tracking error in relation to the overall portfolio.

Financial Risk

Excessive borrowing to finance a business operation increases profitability risk because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Fundamental Analysis

The risk 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.

Inflation Risk

When any type of inflation is present, a dollar today will not buy as much as a dollar next year because purchasing power is eroding at the rate of inflation.

Management Risk

An investment with a firm varies with the success and failure of its investment strategies, research, analysis, and determination of its portfolio. If an investment strategy were not to produce expected returns, the value of the investment would decrease.

Market Risk

When the stock market as a whole or an industry as a whole falls, it can cause the prices of individual stocks to fall indiscriminately. This is also called systemic or systematic risk.

Passive Market Strategies

Should a portfolio employ a passive, efficient markets approach (often associated with Modern Portfolio Theory), an investor will need to consider the potential risk that the broader allocation may at times generate lower-than-

expected returns than that from a specific asset, and that the return on each type of asset is a deviation from the market return for the asset class. It is felt that this variance from the “expected return” is generally low under normal market conditions if the portfolio is made up of diverse, low, or non-correlated assets. Correlation refers to the extent in which prices move in the same direction, therefore, non-correlated investment strategies may be used within a portfolio to neutralize or counterbalance the risk should one or more types of holdings fall in value.

Research Data

When research and analyses are based on commercially available software, rating services, general market and financial information, or due diligence reviews, a firm is relying on the accuracy and validity of the information or capabilities provided by selected vendors, rating services, market data, and the issuers themselves. Therefore, while our firm makes every effort to determine the accuracy of the information received, we cannot predict the outcome of events or actions taken or not taken, or the validity of all information researched or provided which may or may not affect the advice on or investment management of an account.

Socially Conscious Investing

If you require your portfolio to be invested according to socially conscious principles, you should note that returns on investments of this type may be limited and because of this limitation you may not be able to be as well diversified among various asset classes. The number of publicly traded companies that meet socially conscious investment parameters is also limited, and due to this limitation, there is a probability of similarity or overlap of holdings, especially among socially conscious mutual funds or ETFs. Therefore, there could be a more pronounced positive or negative impact on a socially conscious portfolio, which could be more volatile than a fully diversified portfolio.

Security-Specific Material Risks

ETF/ETN and Mutual Fund Risk

ETFs/ETNs and 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 reflects the risks of their underlying securities.

Fixed Income Risks

Various forms of fixed income instruments, such as bonds, money market funds, bond funds, and certificates of deposit, may be affected by various forms of risk, including:

Credit Risk

The potential risk that an issuer would be unable to pay scheduled interest or repay principal at maturity, sometimes referred to as “default risk.” Credit risk may also occur when an issuer’s ability to make payments of principal and interest when due is interrupted. This may result in a negative impact on all forms of debt instruments, as well as funds or ETF share values that hold these issues. Bondholders are creditors of an issuer and typically have priority to assets before equity holders (i.e., stockholders) when receiving a payout from liquidation or restructuring. When defaults occur due to bankruptcy, the type of bond held will determine seniority of payment.

Duration Risk

Duration is a measure of a bond's volatility, expressed in years to be repaid by its internal cash flow (interest payments). Bonds with longer durations carry more risk and have higher price volatility than bonds with shorter durations.

Interest Rate Risk

The risk that the value of the fixed income holding will decrease because of an increase in interest rates.

Liquidity Risk

The inability to readily buy or sell an investment for a price close to the true underlying value of the asset due to a lack of buyers or sellers. While certain types of fixed income are generally liquid (i.e., bonds), there are risks which may occur such as when an issue trading in any given period does not readily support buys and sells at an efficient price. Conversely, when trading volume is high, there is also a risk of not being able to purchase a particular issue at the desired price.

Reinvestment Risk

With declining interest rates, investors may have to reinvest interest income or principal at a lower rate.

Index Investing

ETFs/ETNs and indexed funds have the potential to be affected by "active risk" or "tracking error risk;" defined in the earlier paragraph with respect to Core + Satellite risks.

QDI Ratios

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/ETN 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.

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 the firm and any associated person to conduct business activities in a manner that avoids conflicts of interest between the firm and its 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 which might reasonably compromise our impartiality or independence.

Neither the firm, management, nor its associates, are registered or have an application pending to register as a Financial Industry Regulatory Authority (FINRA) or National Futures Association (NFA) introducing broker/ dealer, or as a futures commission merchant, commodity pool operator, commodity trading adviser, or an associated person of the foregoing entities.

Material Relationships Maintained by this Advisory Business and Conflicts of Interest

Neither Harvard Square Financial Planning nor its management have a material relationship with any of the following types of entities:

- municipal securities dealer, or government securities dealer or broker;
- banking or thrift institution;
- lawyer or law firm;
- accountant or accounting firm;
- pension consultant;
- insurance company or agency;
- sponsor or syndicator of limited partnerships; 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, we may provide referrals to various professionals, such as an accountant or attorney. While these referrals are based on our best information, we do not guarantee the quality or adequacy of the work provided by these referred professionals. We do 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.

Recommendation or Selection of Other Investment Advisers and Conflicts of Interest

While it is not our practice to do so, should we ever provide you with a recommendation to an unaffiliated registered investment adviser, we will first ensure we have conducted what we believe is an appropriate level of due diligence on the recommended adviser including 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 account.

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

Harvard Square Financial Planning 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. Our firm will disclose to advisory clients any material conflict of interest relating to the firm, its representatives, or any of its employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

Code of Ethics Description

Harvard Square Financial Planning holds itself to a *fiduciary standard*, which means the firm will act in the utmost good faith, performing in a manner believed to be in the best interest of its clients. Our firm has adopted a Code of Ethics that establishes policies for ethical conduct for its personnel. The firm accepts the obligation not only to comply with all applicable laws and regulations but also to act in an ethical and professionally responsible manner in all professional services and activities. Firm policies include prohibitions against insider trading, circulation of industry rumors, and certain political contributions, among others.

The firm periodically reviews and amends its Code of Ethics to ensure that it remains current and requires access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. A copy of the firm’s Code of Ethics is made available to any client or prospective client upon request.

Privacy Policy Statement

Harvard Square Financial Planning, LLC respects the privacy of all clients and prospective clients both past and present (collectively termed “customers” per federal guidelines). It is recognized that clients have entrusted our firm with non-public personal information, and it is important that both access persons and customers are aware of firm policy concerning what may be done with that information.

We collect personal information about our clients from the following sources:

- information our clients provide to us in our agreement and other documents completed in connection with their engagement
- information our clients provide to us to complete their financial plan or investment recommendation
- information our clients provide to us orally,
- information we may receive from service providers, such as a custodian.

We may disclose non-public personal information about a client to unaffiliated third parties in certain circumstances. For example, in order for us to provide financial planning services to you, we may disclose your personal information in limited circumstances to various service providers, such as your custodian or accountant. In the event that it is necessary to share your non-public personal information with an unaffiliated third party, we will request that you give us specific permission via a signed statement. Unless this “opt-in” statement is signed, we will not share your information with an unaffiliated third party. Otherwise, we do not disclose non-public personal information about our clients to anyone, except in the following circumstances:

- when required to provide services our clients have requested
- when our clients have specifically authorized us to do so in writing
- when required during the course of a firm assessment (i.e., independent audit), and
- when permitted or required by law (i.e., periodic regulatory examination).

Within our firm, we restrict access to client information to staff that need to know that information. All personnel and our service providers understand that everything handled in our office is confidential and they are instructed to not discuss client information or situation with someone else unless they are specifically authorized in writing by the client to do so. This includes, for example, providing information to a family member.

To ensure security and confidentiality, we maintain physical, electronic, and procedural safeguards to protect the privacy of client information.

Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

Neither the firm nor an associate is authorized to recommend to a client, or effect a transaction for a client, involving any security in which the firm or a “related person” (e.g., associate, an immediate family member, etc.) has a material financial interest, such as in the capacity as an underwriter or adviser to an issuer of securities, etc.

An associate is prohibited from borrowing from or lending to a client unless the client is an approved financial institution.

The firm is able to provide both financial planning and investment consultation services; a fee for both services may be paid to the firm per the engagement agreement and, therefore, a potential conflict of interest may exist. Therefore, we note that you are under no obligation to act on a recommendation and, if you elect to do so, you are under no obligation to complete all of them through our firm or a service provider whom we may recommend.

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

Harvard Square Financial Planning does not trade for its own account (e.g., proprietary trading). The firm's related persons may buy or sell securities that are the same as, similar to, or different from, those recommended 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 will the firm or a related person receive preferential treatment over a client.

In an effort to reduce or eliminate certain conflicts of interest involving personal trading (i.e., trading ahead of a client's order, etc.), firm policy requires the restriction or prohibition of related parties' transactions in specific securities. Any exceptions or trading pre-clearance must be approved by the firm in advance of the transaction in a related person's account, and the firm maintains required personal securities transaction records per regulation.

Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

See responses in the section *Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest*.

Item 12 - Brokerage Practices

Factors Used to Select Broker-Dealers for Client Transactions

Harvard Square Financial Planning does not maintain physical custody of your assets (see Item 15). Your account must be maintained by a qualified custodian (generally a broker/dealer, bank or trust company) that is frequently reviewed for its capabilities to serve in that capacity by their respective industry regulatory authority. Our firm is not a custodian nor is there an affiliate that is a custodian.

When engaged to provide investment consultation services, the firm may recommend the service provider with whom your assets are currently maintained. Should you prefer a new service provider, a recommendation made by the firm would be based on your needs, overall cost, and ease of use.

Our firm prohibits non-cash compensation (termed "soft dollars" in certain jurisdictions) and will not "pay up" to receive additional services from a service provider.

We periodically conduct an assessment of any service provider we recommend, which generally involves a review of their range and quality of services, reasonableness of fees, among other items, and in comparison to their industry peers.

Best Execution

In light of the nature of the firm's services, it is believed "best execution" review obligations with regard to client transactions are not required under current industry guidelines.

Directed Brokerage

The firm does not require or engage in directed brokerage involving client accounts. Clients are free to use any particular service provider to execute their transactions and they are responsible for negotiating any terms or arrangements for their account. Our firm will not be obligated to conduct due diligence of the client's selected service provider, seek better execution services or prices from any provider, or aggregate client transactions for trade execution.

Aggregating Securities Transactions

Harvard Square Financial Planning is not engaged for continuous investment supervisory services; the firm does not have discretionary authority over an account and, therefore, aggregating (“batching”) trades on behalf of client accounts will not be conducted.

Since your transactions are completed independently at a service provider of your choice, you may potentially pay more for your transaction than those accounts where trades have been aggregated.

Item 13 - Review of Accounts

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

You should contact our firm for additional reviews when you anticipate or have experienced changes in your financial situation (i.e., changes in employment or marital status, an inheritance, the birth of a child, or other circumstances).

Periodic financial check-ups or reviews are recommended, and we believe they should occur at least on an annual basis whenever practical.

Reviews will be conducted by Ms. Koenig and normally involve analysis and possible revision of your previous financial plan or investment allocation. A copy of revised plans or asset allocation reports will be provided to the client upon request.

Unless provided for in your engagement agreement, reviews are generally conducted under a new or amended agreement and will be assessed at our current fee rate.

Review of Client Accounts on Non-Periodic Basis

You are free to contact our firm for additional reviews when there are material changes that occur in your financial situation or should you prefer to change requirements involving your account.

Non-periodic reviews are generally conducted by Ms. Koenig, under a new or amended agreement, and will be assessed at our published rate. A copy of revised plans or asset allocation reports will be provided to the client upon request.

Content of Client Provided Reports and Frequency

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.

Our firm may provide portfolio reports if we are engaged to for periodic asset allocation or investment advice; we do not provide ongoing performance reporting under our engagements. 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

Our firm does not receive economic benefit from an external source we may recommend to you.

Advisory Firm Payments for Client Referrals

We do not engage in solicitation activities as defined by statute.

A firm associate may hold individual membership or serve on boards or committees of professional industry associations. Generally, participation in any of these entities require membership fees to be paid, adherence to ethical guidelines, as well as in meeting experiential and educational requirements.

A benefit these entities may provide to the investing public is the availability of online search tools that allow interested parties (prospective clients) to search for individual participants within a selected state or region. These passive websites may provide means for interested persons to contact a participant via electronic mail, telephone number, or other contact information, in order to interview the participating member. The public may also choose to telephone association staff to inquire about an individual within their area and would receive the same or similar information. A portion of these participant's membership fees may be used so that their name will be listed in some or all of these entities' websites (or other listings).

Prospective clients locating our firm or an associate 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 assets 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 associate. In keeping with this policy involving client funds or securities, Harvard Square Financial Planning:

- Restricts the firm or an associate from serving as trustee or having general power of attorney over a client account;
- Prohibits the firm or an associate from having authority to directly withdraw securities or cash assets from a client account;
- Does 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; and
- Will not authorize an associate to have knowledge of a client's account access information (i.e., online 401(k), brokerage or bank accounts) when such access might result in physical control over client assets.

You will be provided with transaction confirmations and summary account statements provided directly to you by your selected service provider, such as your custodian of record. Typically, statements are provided on at least a quarterly basis or as transactions occur within your account. We will not create an account statement for you nor be the sole recipient of your account statement.

You are reminded that you should carefully review and compare your account statements that you have received directly from your service provider with any report you may receive from our firm.

Item 16 - Investment Discretion

Should you ask us to assist you in any trade execution (including account rebalancing), it will only be done with your selected service provider and in your presence. We will not serve an account under a discretionary authority engagement agreement.

Harvard Square Financial Planning retains information about all client instructions and limitations, and these are reviewed and approved by firm supervisory staff.

Item 17 - Voting Client Securities

Proxy Voting

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.

Other Corporate Actions

We do not offer guidance on or have the 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.

Receipt of Materials

You may receive proxies or other similar solicitations sent directly from your selected custodian or transfer agent. Should we receive a duplicate copy, note that we do not 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, nor will we directly withdraw our fees from your accounts.

Our services do not require that we collect fees from you of \$500 or more for advisory services we will perform six months or more in advance.

Neither Harvard Square Financial Planning nor Ms. Koenig serves as general partner for a partnership or trustee for a trust in which the firm's advisory clients are either partners of the partnership or beneficiaries of the trust.

Due to the nature of our firm's services and operational practices, an audited balance sheet is not required nor included in 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 commitments 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

Principal Executives and Management Persons – Mary Koenig. Please see Item 4 of this brochure and the cover page (Item 1) of her accompanying Form ADV Part 2B brochure supplement.

Other Business Activities - None. Please refer to Items 2 and 4 of the accompanying Form ADV Part 2B brochure supplement for our firm principal.

Performance-Based Fees - Please see Item 6 of this brochure and Item 5 of the accompanying Form ADV Part 2B that immediately follows this firm brochure. Neither the firm nor its management is compensated based on performance-based fees. It is perceived that performance-based compensation may create an incentive for an advisor to recommend an investment that may carry a higher degree of risk to a client, an activity contrary to the firm's business practices.

Material Disclosure Matters involving Firm Management - Please refer to Item 9 of this firm brochure and Items 3 and 7 of the accompanying Form ADV Part 2B supplement that immediately follows this brochure. The firm's management has not been the subject of an award or otherwise been found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

Firm management has not been the subject of an award or otherwise been found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

Material Relationship with an Issuer of a Security - Please refer Item 10 of this firm brochure and Item 4 of the accompanying Form ADV Part 2B supplement. Firm management does not have a material relationship with the issuer of a security.