

# Cole Financial Planning and Wealth Management, Inc.

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Birmingham, AL 35235

205.477.5118

[www.colefp.com](http://www.colefp.com)

March 17, 2022

This brochure provides information about the qualifications and business practices of Cole Financial Planning and Wealth Management, Inc. If you have any questions about the contents of this Brochure, please contact us at 205.477.5118 or [scott@colefp.com](mailto:scott@colefp.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Cole Financial Planning and Wealth Management, Inc. is a registered investment advisor in the state of Alabama. In no direct or indirect way should this be construed or interpreted as a solicitation to sell securities or investment advisory services to residents of any state other than the state of Alabama and other jurisdictions where registered or exempted from registration. Registration of an Investment Advisor does not imply any level of skill or training. The oral and written communications of an Advisor provide you with information about which you determine to hire or retain an Advisor.

Additional information about Cole Financial Planning and Wealth Management, Inc. also is available on the SEC's website at [www.Advisorinfo.sec.gov](http://www.Advisorinfo.sec.gov).

## **Item 2 – Material Changes**

### **Material Changes since Last Update**

Since our last annual update on March 18, 2021, we updated the hourly fee rates from \$240 an hour to \$270 an hour. We also amended the real time/limited scope project fee rate from \$699 to \$750.

### **Brochure Availability**

We will provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Cole Financial Planning and Wealth Management, Inc. at 205.477.5118 or [scott@colefp.com](mailto:scott@colefp.com). Our Brochure is also available on our web site [www.colefp.com](http://www.colefp.com), also free of charge.

Additional information about Cole Financial Planning and Wealth Management, Inc. is also available via the SEC's web site [www.Advisorinfo.sec.gov](http://www.Advisorinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Cole Financial Planning and Wealth Management, Inc. who are registered, or are required to be registered, as investment Advisor representatives of Cole Financial Planning and Wealth Management, Inc.

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## **Item 4 – Advisory Business of Cole Financial Planning and Wealth Management, Inc.**

Cole Financial Planning, a sole proprietorship, was established in 2005 by Scott D. Cole, CFP®, AIF®, CDFA®. It incorporated in 2013 and became Cole Financial Planning and Wealth Management, Inc. also known, and henceforth referred to, as ColeFP. The company provides both hourly and ongoing financial planning, wealth management and investment advisory services to individuals, families, small businesses, and non-profit organizations. These services may be general in nature or focus on areas of interest or need, depending upon each client's unique circumstances.

The firm is registered as an investment adviser in the states of Alabama, Louisiana, and Texas. ColeFP and its associates may register, become licensed, or meet certain exemptions to registration and/or licensing with other jurisdictions where investment advisory business may be conducted.

Advice is rendered in the areas of cash flow, debt management, risk management, college funding, retirement planning, estate planning, tax planning, asset allocation, investment selection, and management. The advisor employs long-term financial planning and investment strategies. The Advisor, at times, is engaged to provide some divorce planning work, primarily in a non-advisory, financial neutral role. Advice and services may also be rendered to businesses regarding sponsored retirement plans.

In a typical advisory engagement, the advisor first conducts an initial interview, gathers data to assist each client in determining specific needs, goals, objectives, and tolerance for risk. Advisor then prepares analysis of the current financial situation and potential future scenarios, when appropriate.

Next, the advisor presents an analysis and written summary of the significant observations, assumptions, and recommendations over each area that the advisor was engaged to provide advice. Upon the completion of this presentation the engagement is concluded, unless the client signs an ongoing client service agreement.

Hourly, per project, clients may re-engage Cole Financial Planning and Wealth Management, Inc. as needed at their initiative. Periodic financial checkups are recommended but it is the client's responsibility to initiate this review.

The advisor may occasionally conduct group educational workshops on financial planning topics. ColeFP may impose a fee for educational workshops. Generally, the employer, civic or nonprofit group sponsoring the workshop pay any fees charged by ColeFP. In the event, there is a charge to workshop attendees, it will be published on the workshop announcement or invitation.

On occasion, ColeFP may hire the assistance of an independent contract or professional experts to help serve the needs of the client. All contractors will have signed a confidentiality agreement to protect the privacy of the client.

The advisor manages client assets in the amount of \$47,966,021 as of 12/31/2021 on a non-discretionary basis and \$347,540 on a discretionary basis.

## **Item 5 – Fees and Compensation**

All fees are negotiable at the sole discretion of the advisor.

### **Fees for Time Based Projects**

Fees for time based financial planning services will be based on the amount of time expended on behalf of the Client and the prevailing hourly rate. The rate may be negotiable at the sole discretion of the advisor. The Advisor reserves the right to modify the fee based on the complexity of the case. Fees are billed in six-minute increments. At no time will ColeFP collect more than \$500 in fees for services to be provided more than six months in advance. ColeFP does not and will not have custody of client's funds or securities. The current hourly rate is \$270.

For time-based services, Cole Financial Planning and Wealth Management, Inc. requires a deposit for initial engagements in the amount of the lesser of \$500 or one half of the lower end of the estimated hourly range. The remaining balance is payable immediately upon presentation of the plan or advice to clients. Services to be provided and the anticipated the range of fees are detailed in the written service agreement. An estimated fee range will be established. If additional hours are needed, Client will be notified and must give prior authorization before ColeFP can add more hourly fees.

Some clients may wish to pay their financial planning fees across several months rather than in two deposits. This must be agreed upon in advance by both ColeFP and the client. Monthly payment plans must be reflected on the project agreement and approved by signature. ColeFP is not required to accept an alternative payment arrangement from what is described above.

Clients who sign an ongoing relationship agreement will have financial planning fees incorporated into their annual fee. They will not pay extra hourly fees for financial planning. The fee described above pertains to the hourly/ time based, per project client service agreement only.

## **Fees for Divorce Planning Services**

For divorce planning and/or collaborative work as a financial neutral, ColeFP bills off an initial fee of 10 hours based on the prevailing hourly rate. The fee is paid up front and the time spent is tracked and accounted for. An invoice of time involved will be provided to the client. The client is only responsible for the time spent and fees may be refunded or, if required, additional time can be secured by extending the time in 5 hours blocks as needed. The hourly rate for these services is the same as the hourly rate for financial planning services. Investment advice is generally not a part of divorce planning.

## **Fees for Ongoing Relationships and Wealth Management**

Ongoing client service fees are flat annual fees determined by a percent of assets under supervision. The fee is established annually and remains the same for one year (four quarters). The current fee schedule is as follows:

1% on the first \$1,000,000  
0.60% on the next \$2,000,000  
0.40% over \$3,000,000

The rate may be negotiable at the sole discretion of the advisor.

Not everyone is a good fit for ongoing relationships. ColeFP will assist clients in determining the right offering for their needs.

## **Calculation Method of the Annual Fee**

The fee will be calculated annually, based on the client account balance(s). The balance(s) as of the last billing (quarter) date prior to the client's anniversary date is used as the basis for the upcoming year's annual rate. The date on which the client signs an ongoing agreement will serve as their anniversary date for purposes of fee calculation. The rate may be negotiable at the sole discretion of the advisor.

## **Payment of Annual Fee**

The annual fee is paid quarterly at ¼ of the annual fee on or around March 31, June 30, September 30 and December 31. The fees are generally deducted from the client's account but can be billed directly to the client if requested. An invoice is provided to each client demonstrating the amount billed regardless of whether the client's accounts are charged or if the client has requested to be billed directly.

## **Single Issue/ Second Opinion/ Special Situation Fees- "Real Time" planning**

ColeFP recognizes not everyone in need of financial advice can afford a financial plan or they may simply need professional advice regarding one issue. For those situations, ColeFP offers "real time" planning and advice. The cost for a "real time" session is \$750. Real time sessions are limited in scope and can typically only address one specific inquiry. Real time sessions

are a minimum level engagement are not intended to, nor cannot replace the benefit of more comprehensive financial planning.

A typical real time planning session includes 30 minutes of pre-session data gathering and discussion, a 60-90 minute meeting and a 30 minute follow up and summary. No formal reports are provided. The rate may be negotiable at the sole discretion of the advisor.

## **Termination and Refunds**

Either party may terminate an engagement upon written notice within five days of signing the service agreement, at which time no fees would be billed. If a client terminates the engagement after the fifth day, the client is responsible and will be invoiced for any time charges incurred by the advisor.

## **Other Fees**

Fees paid to ColeFP for financial planning and advisory services are separate from the fees and expenses charged by mutual fund companies and their portfolio managers. A complete explanation of these fees and expenses are provided in each mutual fund prospectus. Clients are encouraged to read the prospectus before investing. Clients may also incur transaction costs or administration fees from broker-dealers, trust companies or other service providers. Clients are encouraged to obtain a complete schedule of these fees from the service provider prior to entering any engagement. ColeFP does not receive any portion of these other fees.

**ColeFP is only compensated from client engagements by the client him/herself.**

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

ColeFP does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). We believe this creates conflicts of interest whereas the adviser has incentive to take on more risk than may be appropriate for the client. Furthermore, we do not charge side by side fees, which references a firm simultaneously managing accounts that are performance based and are not as we believe these are conflicts of interest.

## **Item 7 – Types of Clients**

ColeFP generally provides financial planning and investment advice to individuals, pensions and profit sharing plans, trusts, estates, charitable organizations, corporations or business entities.

Client relationships vary in scope and length of service.

We do not impose asset minimums to work with us. Our goal is to make professional financial planning and investment advice as accessible to as many people as possible without selling any products.

Every situation is different but those who are just getting started and building wealth or those who enjoy “doing it themselves” are best served through our time based/ hourly project offering.

As wealth begins to grow, there are often more moving parts, more complexity, more decisions. When investment assets begin to exceed \$500,000.00, the need to manage those assets both for protection and growth become more and more important. For those people, our ongoing relationship may be a better fit.

If your only needs pertain to a single issue or you wish to have an objective second opinion on a major financial decision, then we suggest you use our Single Issue/Limited Scope offering. This is our minimum engagement.

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

If advisor is engaged to provide investment advice, the client's current financial situation, needs, goals, objectives and tolerance for risk are first evaluated. Asset allocation and investment policy decisions are then made to, in the advisor's best judgment, help the client achieve their overall financial objectives while minimizing risk exposure.

Asset allocation is a key component of investment portfolio design. Advisor believes that the appropriate allocation of assets across diverse investment categories (stocks versus bond, foreign versus domestic, large versus small-cap, high quality versus high yield, etc.) is the primary determinant of portfolio returns and critical in the long-term success of one's financial objectives.

Advisor employs fundamental, long-term, buy, hold, and rebalance philosophies in its investment selection and implementation strategies. Our investment philosophy is guided by the idea that markets are efficient, securities are fairly priced, and it is virtually impossible to pick individual winners on a consistent basis. We do not incorporate day trading or market timing strategies in our investment recommendations.

Recommendations provided are based on publicly available reports, analysis, research materials, computerized asset models, and various subscription services. ColeFP makes recommendations regarding investments after consultation and consideration of the client's objectives, goals, and conversations about risk. Clients may, but not in every case, execute an Investment Policy Statement in some cases to better articulate the decision and recommendation process.

Only in very limited circumstances will the advisor provide advice to clients interested in trading individual securities.

**Investing in securities involves risk of loss that clients should be prepared to bear.**

## **Item 9 – Disciplinary Information**

Registered Investment Advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of ColeFP. or the integrity of ColeFP's management.

ColeFP has no information applicable to this Item.

## **Item 10 – Other Financial Industry Activities and Affiliations**

### **Other Financial Industry Activities**

The Advisor will occasionally act as a financial neutral in collaborative cases, most often, collaborative divorces. The Advisor is compensated for his role as a financial neutral. The Advisor is paid by billing a block of time that is calculated using current rates that other clients of the firm pay. The rate is negotiable at the sole discretion of the Advisor.

Advisor is often asked to speak on both financial and non-financial related issues, those speaking engagements may involve compensation and reimbursement for expenses. Any referrals that may result from such work are not paid for by ColeFP and are incidental to the project or engagement.

Advisor may at times contract with certain Employee Assistant Programs (EAP) or like groups for financial advice or educational services. In these cases, Advisor is compensated on a predetermined hourly rate as well as reimbursement for expenses incurred. Generally, these cases do not provide opportunity for referral, but any referrals that occur are incidental to the project and are not paid for by ColeFP.

## **AFFILIATIONS**



As a service to its clients, ColeFP may provide referrals to various professionals, such as accountants or attorneys. While these referrals are based on the best information available to ColeFP, the firm does not guarantee the quality or adequacy of the work provided by these referred professionals.

There are no agreements with these entities nor are referral fees received from these professionals for such informal referrals. Any fees charged by these other entities for their services are separate from fees charged by ColeFP.

Scott Cole, CFP®, AIF®, CDFA® is a member of the Garrett Planning Network (Garrett), an organization that assists financial planners in fee-only financial planning practices. ColeFP pays an annual membership fee to Garrett for extensive services that include training, compliance, and operational support to enhance our ability to provide quality service and advice to our clients.

Scott Cole, CFP®, AIF®, CDFA® is also a member of National Association of Personal Financial Advisors (NAPFA). He is a certificant with the Certified Financial Planner Board of Standards, Inc. as a CERTIFIED FINANCIAL PLANNER™. Additionally, he holds a designation from Fi360 as an Accredited Investment Fiduciary (AIF®). Generally, participation in these entities requires membership fees to be paid, adherence to ethical guidelines, and meeting experiential and educational requirements.

Clients and prospective clients may be referred to ColeFP by any of these networks. Clients referred by these networks do not pay more for the services of the advisor than clients that learn about the advisor from another referral source.

## **Item11 – Code of Ethics**

### **Code of Ethics**

The advisor and all supervised persons of the firm adhere to the code of ethics of the Certified Financial Planner Board of Standards, the National Association of Personal Financial Advisors, and Fi360. These codes describe high standards of business conduct and our fiduciary duty to our clients. These “codes of ethics” are available upon request by contacting the firm.

### **Participation or Interest in Client Transactions**

At times, the advisor or other related parties may hold positions in securities that may also be recommended to clients. However, at no time will advisor or any related party receive preferential treatment over clients. Advisor enforces the applicable rules of the Investment Advisors Act of 1940 including the prohibition against insider trading. Advisor maintains the required personal securities transaction records for all employees, if any.

## **Item 12 – Brokerage Practices**

### **Brokerage Selection**

ColeFP is not associated with any broker-dealer firm. The advisor may recommend the services of discount brokers including but not limited to Charles Schwab, Vanguard, TD Ameritrade, Fidelity. Discount broker recommendations are based on individual client needs, total cost, and ease of use for clients.

Ongoing Clients who have engaged ColeFP to manage assets will generally custody their assets with Shareholders Service Group, TIAA CREF, or TD Ameritrade Institutional, Division of TD Ameritrade, Inc., member FINRA/SIPC/NFA depending on the needs of the client. ColeFP may explore relationship with other custodians and brokers if in the best interest of the client but at no time will it receive any fees or commissions from any existing or future arrangements.

## Soft Dollars

Advisor may receive non-cash (soft dollar) benefits from brokerages or custodians recommended to clients. These benefits include electronic client statements, investment research, educational materials and software. It is the advisor's policy to restrict non-cash compensation to products and services that directly enhance the advisor's ability to render quality advice to clients. Soft dollar benefits are not proportionally allocated to any accounts that may generate different amounts of the soft dollar benefits.

## Item 13 – Review of Accounts

For hourly/per project clients, there are no ongoing or automatic reviews provided. While recommended, any future reviews or checkups are the responsibility of and must be initiated by the client.

For clients who have signed an ongoing client service agreement, there will be a review conducted at least annually with its clients. At each annual review, ColeFP will review current recommendations, discuss the status of investment portfolio, recommend any needed changes, and assist with necessary rebalancing. Additional reviews can be requested by the client within reason. Recommendations and advice may be made collaboratively within the firm but will be reviewed by the principal of the firm, Scott Cole, CFP® before delivered to the client.

Portfolio snapshots may be provided when ColeFP is engaged to provide asset allocation or investment advice. The firm does not provide formal ongoing performance reporting. Clients will receive account statements directly from mutual fund companies and/or brokerage companies in which they hold investments. These statements are typically provided on a monthly or quarterly basis and as transactions occur.

## Item 14 – Client Referrals and Other Compensation

ColeFP is fortunate to receive referrals from existing clients, other professionals such as accountants and attorneys and from its membership in organizations such as Garrett Planning Network (GPN), National Association of Personal Financial Advisors (NAPFA). The firm does not compensate referring parties for these referrals.

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 advisors. As disclosed under Item 12, our firm participates in our custodians' investment advisor support programs, and we recommend those custodians 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 "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
- our access to their trading desk
- 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
- discounts on compliance, marketing, research, technology, and practice management products or services provided to our firm by third party vendors

Some of the noted products and services made available by a custodian benefit our advisory firm but may not directly benefit each of our clients' accounts. While our firm does not think these services are considered "brokerage or research services" under Section 28(e) of the Securities Exchange Act of 1934, certain jurisdictions where we serve client accounts believe they fall under this definition. The availability of these services from a custodian benefits our firm because we do not have to produce or purchase them if our clients maintain assets in accounts at that custodian. There is a conflict of interest since our firm has an incentive to select or recommend a custodian based on our firm's interest in receiving these benefits rather than your interest in receiving favorable trade execution.

It is important to mention that the benefit received by our firm through participation in any custodian's program does not depend on the amount of brokerage transactions directed to that custodian, and our selection of a custodian is primarily supported by the scope, quality, and cost of services provided as a whole -- not just those services that benefit only our advisory firm. As part of our fiduciary duty, our firm endeavors to place the interests of our clients first, without consideration to our own financial interest or the interest of a related person. Our clients should be aware 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 custodian for its custody and brokerage services. However, we strive to overcome any implicate bias these benefits might create, and we will avoid recommending services or offer investment advice that is not in your best interest.

We do not engage in solicitation activities involving unregistered persons. If we receive or offer an introduction to a client, we do not pay or earn a referral fee, nor are there established *quid pro quo* arrangements. Each client has the right to accept or deny such referral or subsequent services.

## **Item 15 – Custody**

ColeFP does not hold custody of client accounts/funds. All assets are held at qualified custodians that provide account statements directly to the clients at the address of record. ColeFP will send an invoice to ongoing clients on the designated bill date and clients are urged to compare that invoice to the statements provided by the custodian.

## **Item 16 – Investment Discretion**

Clients may choose to engage ColeFP on either a discretionary or nondiscretionary basis as agreed upon the ongoing client service agreement. If the client chooses discretionary services, ColeFP will generally manage the client's accounts and make investment decisions without consultation with the client as to what securities to buy or sell, when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, or the price per share. In some instances, ColeFP's discretionary authority in making these determinations may be limited by conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to ColeFP).

If the client chooses non-discretion, ColeFP will not implement trades without the client's expressed authorization. Client's may authorize Cole Financial Planning and Wealth Management, Inc to implement recommendations electronically, in writing, via phone or in person.

## **Item 17 – Voting Client Securities**

As a matter of firm policy and practice, ColeFP does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. ColeFP may provide advice to clients regarding the clients' voting of proxies upon request, but the client should direct most proxy questions to the issuer of the security.

## **Item 18 – Financial Information**

ColeFP has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

## **Item 19 – Requirements for State-Registered Advisors**

### **Qualifications of those rendering investment advice**

If ColeFP has employees who render investment advice to clients, the employee must have a college degree, relevant financial planning and or investment advisory experience, and be working towards completing the requirements necessary to be a Certified Financial Planner™ (CFP®) practitioner in good standing with the Certified Financial Planner Board of Standards.

### **Qualification of President of Cole Financial Planning and Wealth Management, Inc.**

#### **EDUCATION AND BUSINESS BACKGROUND**

Name: Scott Cole

Year of Birth: 1970

Education: CERTIFIED FINANCIAL PLANNER(TM), 2006, Certified Divorce Financial Analyst™, 2013, Accredited Investment Fiduciary™, 2017

University of Alabama, Tuscaloosa, AL MS Family Financial Planning and Counseling (2004)

Southwestern Baptist Theological Seminary, Fort Worth, TX MDIV (1996)

Samford University, Birmingham, AL BA Interdisciplinary Studies (1992)

Additional studies at New Orleans Baptist Theological Seminary

Experience: (most recent 10 years)

Cole Financial Planning and Wealth Management, Inc., Bessemer, AL President, January 2, 2013- Present

Cole Financial Planning, Bessemer, AL Founder and Principal, August 2004 - January 1, 2013

### **Other Non-Investment Related Business Activities**

Scott Cole, CFP®, CDFA®, AIF® from time to time, upon request, may teach financial planning related courses as an adjunct professor. Time devoted to such activity is limited and does not take away from his primary role as President of ColeFP. His compensation for such activity is determined by the institution and in no way negatively impedes his ability to perform his fiduciary duties to the clients of the firm.

**Brochure Supplement (Part 2B of Form ADV), Item 1**

**Cole Financial Planning and  
WealthManagement, Inc.**

Form ADV Part 2B – Individual Disclosure Brochure for

**Scott Cole**

CRD Number: 4845583

Investment Advisor Representative

March 11, 2022

This Brochure supplement provides information about the privacy policies that govern Cole Financial Planning and Wealth Management, Inc. Additionally, information about our Code of Ethics, and designations used by individuals in the firm is herein provided. If you have any questions about the contents of this brochure supplement, please contact us at 205.477.5118 or [scott@colefp.com](mailto:scott@colefp.com). The information in this supplement has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Cole Financial Planning and Wealth Management, Inc. is a registered investment advisor in the state of Alabama. In no direct or indirect way should this be construed or interpreted as a solicitation to sell securities or investment advisory services to residents of any state other than the state of Alabama and other jurisdictions where registered or exempted from registration. Registration of an Investment Advisor does not imply any level of skill or training. The oral and written communications of an Advisor provide you with information about which you determine to hire or retain an Advisor.

Additional information about Cole Financial Planning and Wealth Management, Inc. also is available on the SEC's website at [www.Advisorinfo.sec.gov](http://www.Advisorinfo.sec.gov).

## Item 2

### *Educational Background and Experience*

#### Education:

- University of Alabama, Tuscaloosa, AL MS Family Financial Planning and Counseling (2016)
- University of Alabama, Huntsville, AL BS Accounting (2014)
- Calhoun Community College Huntsville, AL A.S. Accounting (2011)
- Additional studies at University of North Alabama, Florence, AL (1987)

#### Experience: (most recent 15 years)

- Cole Financial Planning and Wealth Management, Inc., Bessemer, AL Associate Adviser, 2016-Present
- Adtran, Huntsville, AL Network Design Engineer, 2008-Present
- Madison CandleWorks, Huntsville, AL Owner 2007-2008
- Daedalus Technology Management, Huntsville, AL Owner 2005-2007

### *Professional Certifications*

#### **CFP® Professional Designation**

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

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

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, administered in 10 hours over a two-day period, 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.

### **CDFA™ Professional Designation**

Scott Cole has been granted the designation of Certified Divorce Financial Analyst™ (CDFA™) designation by the Institute for Divorce Financial Analysts. Designees must currently be working in financial services, accounting or family law profession with a minimum of three years' experience. A course specific to financial issues surrounding divorce must be completed and the designee must successfully pass three assessments and submit a reviewed case study before the designation can be used. An annual reinstatement fee and 15 hours of divorce related continuing education every two years are required for continued use of the designation.

### **AIF® Accredited Investment Fiduciary**

Scott Cole earned the right to use the designation of Accredited Investment Fiduciary (AIF®) by Fi360. Designees must participate in AIF® training, pass an examination, meet experience requirements, attest to the Conduct Standard and Code of Ethics. There are annual dues and 6 hours of continuing education required each year to continue to use the designation.

### Item 3

#### *Disciplinary Information*

Mr. Cole does not have any reportable disciplinary disclosures.

### Item 4

#### *Other Business Activities*

Scott Cole, owner and sole IAR of CFP, is not currently registered with any broker dealer.

Scott Cole does not hold any insurance licenses.

Neither CFP nor its representatives are registered as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

### Item 5

#### *Additional Compensation*

Scott Cole does not receive any economic benefit from anyone, who is not a client, for providing advisory services

### Item 6

#### *Supervision*

CFP has written supervisory procedures in place that are reasonably designed to detect and prevent violations of the securities laws, rules, and regulations of the Alabama Securities



Commission. Mr. Cole is CFP's Chief Compliance Officer and the sole Investment Advisory Representative of the firm, therefore he is responsible for all of the activities that occur on behalf of CFP and its client. He can be reached at (205) 477-5118.

## Item 7

### *Requirements for State Registered Investment Advisers*

*This disclosure is required by Alabama securities authorities and is provided for your use in evaluating this investment advisor representative's suitability.*

A. Scott Cole has NOT been involved in any of the events listed below.

1. An award or otherwise being 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

2. An award or otherwise being 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

B. Scott Cole has NOT been the subject of a bankruptcy petition at any time.

## Privacy Policy

At Cole Financial Planning and Wealth Management, Inc., we respect the personal financial privacy of all our clients and customers. It is important to realize that they have entrusted us with private personal financial information, and it is important to us that all employees and officers of Cole Financial Planning and Wealth Management, Inc. know our policy concerning

what we do with that information.

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

- Information they provide to us in investment advisory agreements, brokerage account applications, and other documents completed in connection with the opening and maintenance of their accounts; and
- Information they provide us orally; and
- Information we receive from third parties, such as brokerage Firms, about client transactions with us or with others.

We do not disclose any nonpublic personal financial information about our clients to anyone, except in the following circumstances:

- When required to execute transactions for their account or otherwise to provide services they have requested; or
- When you have specifically authorized us to do so in writing; or
- When provided to independent contractors hired by our Firm to help us with the preparation of your financial plan; or
- When permitted or required by law.

Within our Firm, we restrict access to clients' personal financial information to the employees and/or independent contractors we work with on your financial plan who need to know that information. To ensure security and confidentiality, we maintain physical, electronic, and procedural safeguards to protect the privacy of our clients.

In addition, it is important for all employees and officers of Cole Financial Planning and Wealth Management, Inc. to understand that everything handled in this office is private and confidential. Nothing about our clients should be discussed outside our offices with family, friends or other clients and within the office, only discuss what is needed to complete the job. And most importantly our employees and/or independent contractors are instructed never to discuss a client's situation with someone else that may request information about an account

unless the Firm has received written instructions from you specifically authorizing them to do so. This includes giving information to a husband on his wife's IRA account, to a son or daughter about their mom or dad's accounts, etc.

## **Code of Ethics**

Cole Financial Planning and Wealth Management, Inc. embraces and incorporates the code of ethics of the National Association of Personal Financial Advisors (NAPFA) and Fi360 as its own.

### **NAPFA Code of Ethics**

**Objectivity:** NAPFA members strive to be as unbiased as possible in providing advice to clients and NAPFA members practice on a fee-only basis.

**Confidentiality:** NAPFA members shall keep all client data private unless authorization is received from the client to share it. NAPFA members shall treat all documents with care and take care when disposing of them. Relations with clients shall be kept private.

**Competence:** NAPFA members shall strive to maintain a high level of knowledge and ability. Members shall attain continuing education at least at the minimum level required by NAPFA. Members shall not provide advice in areas where they are not capable.

**Fairness & Suitability:** Dealings and recommendation with clients will always be in the client's best interests. NAPFA members put their clients first.

**Integrity & Honesty:** NAPFA members will endeavor to always take the high road and to be ever mindful of the potential for misunderstanding that can accrue in normal human interactions. NAPFA members will be diligent to keep actions and reactions so far above board that a thinking client, or other professional, would not doubt intentions. In all actions, NAPFA members should be mindful that in addition to serving our clients, we are about the business of building a profession and our actions should reflect this.

**Regulatory Compliance:** NAPFA members will strive to maintain conformity with legal regulations.

**Full Disclosure:** NAPFA members shall fully describe method of compensation and potential conflicts of interest to clients and also specify the total cost of investments.

**Professionalism:** NAPFA members shall conduct themselves in a way that would be a credit to NAPFA at all times. NAPFA membership involves integrity, honest treatment of clients, and

treating people with respect.

### **Fi360 Code of Ethics**

#### ***To my clients, I will:***

1. Employ and provide the client information on the Prudent Practices when serving as an investment fiduciary and/or advising other investment fiduciaries.
2. Act with honesty and integrity and avoid conflicts of interest, real or perceived.
3. Ensure the timely and understandable disclosure of relevant information that is accurate, complete, and objective.
4. Be responsible when determining the value of my services and my form of compensation; taking into consideration the time, skill, experience, and special circumstances involved in providing my services.
5. Know the limits of my expertise and refer my clients to colleagues and/or other professionals in connection with issues beyond my knowledge and skills.
6. Respect the confidentiality of information acquired in the course of my work, and not disclose such information to others, except when authorized or otherwise legally obligated to do so. I will not use confidential information acquired in the course of my work for my personal advantage.
7. Not exploit any relationship or responsibility that has been entrusted to me.

#### ***To my community (whether defined by work, family, and/or friends), I will:***

1. Proactively promote and be a steward of ethical behavior as a responsible partner among my peers in the work environment and in my community.
2. Ensure that the overall promotion of my practice is implemented in the best interests of my profession.
3. Seek, accept, and offer honest criticism of technical work; acknowledge and correct errors; and properly credit the contributions of others.
4. Use corporate assets and resources employed or entrusted to me in a responsible manner.
5. Continue to improve my knowledge and skills, share ideas and information with colleagues, and assist them in their professional development.