

Kelly Klingaman

FINANCIAL PLANNING

www.kkfp.co

Form ADV Part 2A – Firm Brochure
Dated February 13, 2024

This Brochure provides information about the qualifications and business practices of Kelly Klingaman Financial Planning LLC, “KKFP”. If you have any questions about the contents of this Brochure, please contact us at (512) 222-7982. 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.

Kelly Klingaman Financial Planning LLC is registered as an Investment Adviser with the State of Texas. Registration of an Investment Adviser does not imply any level of skill or training. Additional information about KKFP is available on the SEC’s website at www.adviserinfo.sec.gov which can be found using the firm’s identification number 306286.

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Item 2: Material Changes

Since the annual filing of this Form ADV Part 2A for KKFP, dated February 21, 2023, no material changes have occurred. Please note that this section only discusses changes we consider material.

Item 3: Table of Contents

Item 1: Cover Page	1
Item 2: Material Changes	2
Item 3: Table of Contents	2
Item 4: Advisory Business	3
Item 5: Fees and Compensation	7
Item 6: Performance-Based Fees and Side-By-Side Management	9
Item 7: Types of Clients	9
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	10
Item 9: Disciplinary Information	12
Item 10: Other Financial Industry Activities and Affiliations	12
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	12
Item 12: Brokerage Practices	14
Item 13: Review of Accounts	15
Item 14: Client Referrals and Other Compensation	15
Item 15: Custody	16
Item 16: Investment Discretion	16
Item 17: Voting Client Securities	16
Item 18: Financial Information	16
Item 19: Requirements for State-Registered Advisors	17
Business Continuity Plan Notice	19
Privacy Notice	20
Form ADV Part 2B - Brochure Supplement	21



Item 4: Advisory Business

Description of Advisory Firm

Kelly Klingaman Financial Planning LLC is registered as an Investment Adviser with the State of Texas. We were founded in August 2021. Kelly M. Klingaman is the principal owner of KKFP. As of December 31, 2023, we manage \$7,163,420 on a discretionary basis and \$0 on a non-discretionary basis.

Types of Advisory Services

Annual Advisory Services: Ongoing Financial Planning with Investment Management

KKFP provides ongoing financial planning with investment management services for a flat annual fee. Clients will have regularly scheduled meetings through the term of the engagement, depending on their individual situation. In addition to scheduled meetings, additional face-to-face, email and/or phone consultations are included at no extra charge.


Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they impact and are impacted by the entire financial and life situation of the client.

Clients purchasing this service will receive a written or an electronic report, providing the client with an overview of their current financial condition, an assessment of other risks and opportunities, their current goals, and KKFP's recommendations for achieving their goals and objectives and mitigating their risks.

Clients get continuous access to a planner who will help the client implement recommendations, monitor the plan, make additional recommendations as previous recommendations are implemented, reach out for regular client meetings, adapt the plan to changing circumstances in the client's life, recommend changes when necessary, and ensure the plan is up to date.

The client is expected to inform KKFP when changes or concerns arise and to provide necessary documents and data for KKFP to use in our analysis. Clients might have changes or concerns in any of the areas enumerated below, as were covered in the initial analysis. KKFP will review the new information in the context of the existing plan and share our findings, analysis and potential recommendations with the client. Clients subscribing to this service will receive a written or an electronic report for each issue after we work through it. The plan and the client's financial situation and goals will be monitored throughout the year and follow-up phone calls and emails will be made to the client to confirm that any agreed upon action steps have been carried out. On an annual basis there will be a full review of this plan to ensure its accuracy and ongoing appropriateness. Any needed updates will be implemented at that time.

As part of the Annual Advisory Service, KKFP provides discretionary investment management services. With discretionary authority, KKFP is given the authority to conduct trades in a client's account and



give instructions to the account's custodian, without prior consent of the client. For any assets under advisement, not management, KKFP will review and recommend changes annually.

Investment management services may involve developing an asset allocation strategy to meet clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, and reviewing company stock ownership. The strategies and types of investments we recommend are further discussed in Item 8 of this brochure.

We are in the business of managing individually tailored investment portfolios. Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation target. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background.


Account supervision is guided by the Investment Policy Statement ("IPS"), which will outline the client's stated objectives. The IPS serves as the road map to investment management and is developed based on the client's risk tolerance, goals, objectives, income needs and time horizons. Based on the IPS, we invest a client's assets in one or more model portfolios developed by our firm. The model portfolios are set up as an asset allocation with specified targets for each asset class. The asset allocation targets will align with the goals and objectives discussed with the client. We review the accounts regularly and rebalance periodically as needed. We may also perform tax loss harvesting when appropriate. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Fees pertaining to this service are outlined in Item 5 of this brochure.

KKFP recommends both mutual funds and exchange-traded funds. The recommended mutual funds are no-load funds.

In general, the financial plan will address any or all of the following areas of concern. The client and advisor will work together to select the specific areas to cover. These areas may include, but are not limited to, the following:

- **Business Planning:** We provide consulting services for clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.
- **Cash Flow and Debt Management:** We will conduct a review of your income and expenses 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. We may also recommend what we believe to be an appropriate cash reserve that





should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

- **College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).
- **Employee Benefits Optimization:** We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of 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.
- **Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include 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 an attorney 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.

- **Financial Goals:** We will help clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.
- **Insurance:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **Investment Analysis:** This may involve developing an asset allocation strategy to meet clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.
- **Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., 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.

- **Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significantly adverse effect 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”).
- **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 affect your situation.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

- **Real Estate Planning Strategies:** Clients can have a significant portion of their net worth tied up in real estate, especially their primary residence, and especially in high cost-of-living areas. Our analysis and advice will focus on the role that real estate (both residence and rental) plays in your total financial picture and how to best balance the risks and potential rewards of real estate ownership with those of your investment portfolio and the rest of your financial picture. Specific analyses may include refinancing, the “should I pay off my mortgage faster or invest more” question and leveraging high home values when making plans for the future.

The client always has the right to decide whether or not to act upon our recommendations. If the client elects to act on any of the recommendations, the client always has the right to affect the transactions through anyone of their choosing.

Educational Seminars

We may provide seminars/webinars on an “as announced” basis for groups seeking general advice on investments and other areas of personal finance. The content of these webinars will vary depending upon the needs of the attendees. Topics may include issues related to job offers, stock compensation, investing basics, employee benefits choices, or retirement strategies. These seminars/webinars are purely educational in nature and do not involve the sale of any investment products. Information presented will not be based on any individual person’s needs, nor does KKFP provide individualized investment advice to attendees during these seminars. These seminars or webinars will be offered at no cost.





Other Professionals

KKFP is not in the business of providing legal or accounting services. With a client's consent, we may work with or recommend other professional advisors such as an estate planning attorney and/or qualified tax professional to assist with the coordination and implementation of a client's financial plan. We may participate in meetings and/or phone calls between the client and professional advisor, per the client's request.

Client Tailored Services and Client Imposed Restrictions

We offer the same suite of services to all of our clients. However, specific client financial plans and their implementation are dependent on a client's Investment Policy Statement, or IPS, and risk tolerance questionnaire. The IPS outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Wrap Fee Programs

We do not participate in wrap fee programs.

Item 5: Fees and Compensation

Please note, unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the client agreement, the client agreement may be terminated by the client within five (5) business days of signing the client agreement without incurring any advisory fees and without penalty. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

KKFP is a fee-only firm and is compensated solely by professional fees received directly from its clients. Neither KKFP, nor any related person associated with KKFP, receive compensation that is contingent on the purchase or sale of a financial product. Neither KKFP, nor any related person of KKFP, accepts any sales commissions, referral fees, services fees, or other forms of compensation from any third party, nor does KKFP or any related person compensate anyone else directly or indirectly for client referrals. Fees are generally negotiable and are paid as described below, directly by the client.

KKFP's fee and the specific manner in which fees are charged is established in each client agreement with the client. At no time will KKFP collect an amount above \$500.00 6 months or more in advance, from any client.

Annual Advisory Service Fees and Billing

Our annual advisory service fees start at \$6,600 for individuals and \$8,400 for couples, with the final quote adjusted based on complexity factors such as planning needs for equity compensation, real estate investment property, and total portfolio value of assets above \$1 million. Total portfolio value is inclusive of, but not limited to, taxable accounts, vested equity compensation, IRAs, college savings accounts, HSAs and employer plans such as 401(k)/403(b)/457. Equity compensation in private companies will be included using the most recent IRS 409A valuation. Equity in primary residence and closely held business interests are excluded. The fee for service is determined at the beginning of the client relationship and reevaluated every other year on each client's contract anniversary date to incorporate an inflation adjustment and/or account for new complexity factors. KKFP will re-execute agreements with clients should the fee change.

There may be an additional upfront charge ranging from \$0 - \$3,000 if the initial scope of work falls outside of the typical range or there is a rush request.

Fees will be billed quarterly in advance. In the event an annual services advisory agreement commences after the first day of the quarter, the client will be assessed a pro-rated fee. Clients pay one of two ways:

1. Quarterly, payable via Credit Card or Electronic Funds Transfer
2. Quarterly, debited directly from the client's investment account

In some cases, a client may be permitted to pay fees by check.

The annual fee is based on the assets to be managed by KKFP as of the start of the engagement, as reported to KKFP by the client before starting the engagement. The fee is a blended rate of these brackets:

Investment Management Fees	
\$0 - \$1,000,000	Included with Annual Advisory Service Fee
\$1,000,001 - \$5,000,000	0.50%
Above \$5,000,000	0.25%

Either the client or KKFP may terminate the engagement without cause at any time by written notice. The client may obtain a full refund by providing written notice of termination within five days of signing the client agreement. In the event of a later termination, prepaid but unearned client fees will be refunded on a pro rata basis based on the number of days remaining in the client's billing period. Refunds will be issued by check or by electronic funds transfer. At termination, KKFP will deliver to the client all work performed for the client that has not already been delivered. Services may be terminated with 30 days notice.

Discounting of Advisory Fees: The services to be provided to the client and their specific fees will be detailed in the client agreement. The firm's published fees are negotiable. We strive to offer fees that are fair and reasonable in light of the experience of our firm and the services to be provided to the client.

Financial Planning – Hourly Fee

On occasion, Financial Planning is also offered at an hourly rate of \$350.00 billed, in 15-minute increments, and a partial increment will be treated as a whole increment, with a minimum of 2 hours. Prior to the engagement, you will receive an estimate of the overall cost, based on your requirements and estimated time involved. The fee may be negotiable in certain cases and is due at the commencement of the engagement. As stated above, at no time will KKFP collect more than \$500.00 more than six months in advance from any client. The fee may be paid through Electronic Funds Transfer or by check.

This service may be terminated with written notice, before the financial plan is delivered. In the event of early termination, the client will be billed for the hours worked at a rate of \$350.00 per hour. If the initial fees collected are greater than the amount billed, then the client will be refunded the difference. If the initial fees collected are less, then the client will be billed the difference.

Educational Seminars

KKFP will occasionally offer, or be invited to host, an educational seminar, covering several general financial planning, retirement or investment topics. KKFP will offer these seminars at no cost.

Other Types of Fees and Expenses

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual fund and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for client's transactions and determining the reasonableness of their compensation (e.g., commissions).

We do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

Item 6: Performance-Based Fees & Side-By-Side Management

We do not offer performance-based fees.

Item 7: Types of Clients

We provide financial planning with investment management services to individuals and families. We do not have a minimum account size requirement; however, our minimum fee for a single person is \$6,600 and \$8,400 for a couple.

Item 8: Methods of Analysis, Investment Strategies & Risk of Loss

The investment analysis conducted by KKFP is largely based on academic studies and research concerning the performance benefits of using a passive, index-oriented approach to building model portfolios combining multiple asset classes. In this regard, the firm relies on materials, and software programs developed by the University of Chicago and Dimensional Fund Advisors in support of its mutual fund investment activity. This information is supplemented with other sources of information including financial journals, fund prospectuses, and research materials prepared by other institutions.

Systematic Investment Management

Due to the unpredictability of the market, this approach favors a more rule-based, less emotional approach to asset selection. Further, systematic investment management does not rely on market timing nor trading to achieve goals in the long term. Instead, investors are encouraged to steadily fund their accounts, purchasing shares the same stock or mutual fund shares, slowly growing their portfolio, over time. Also, systematic investment management encourages diversification in a client's portfolio. The less emotional aspect of systematic investment management is by not focusing on the price of the shares. When investing the same dollar amount weekly, monthly or quarterly, less shares are purchased when the price is high than when the price is low. One disadvantage to systematic investment management is that often there is a long-term commitment required – sometimes up to 25 years. There may be early withdrawal penalties to consider. Also, investors may miss a low-priced stock opportunity.

Material Risks Involved


All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear. Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

Market Risk: Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the success of the issuer's operations or its financial condition.

Small and Medium Cap Company Risk: Securities of companies with small and micro market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the client's portfolio.

Strategy Risk: The Adviser's investment strategies and/or investment techniques may not work as intended.

Turnover Risk: At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.



Interest Rate Risk: Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

Legal or Legislative Risk: Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

Inflation: Inflation may erode the buying-power of your investment portfolio, even if the dollar value of your investments remains the same.

Risks Associated with Securities

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

Common stocks may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

Corporate Bonds are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero-coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

Bank Obligations including bonds and certificates of deposit may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are greatly affected by interest rates and may be adversely affected by downturns in the U.S. and foreign economies or changes in banking regulations.

Municipal Bonds are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

Exchange Traded Funds prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected.

Investment Companies Risk. When a client invests in open end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which clients invest.

Item 9: Disciplinary Information

Criminal or Civil Actions

KKFP and its management have not been involved in any criminal or civil action.

Administrative Enforcement Proceedings

KKFP and its management have not been involved in administrative enforcement proceedings.

Self-Regulatory Organization Enforcement Proceedings

KKFP and its management have not been involved in legal or disciplinary events that are material to a client's or prospective client's evaluation of KKFP or the integrity of its management.

Item 10: Other Financial Industry Activities & Affiliations

No KKFP employee is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.


No KKFP employee is registered, or have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

KKFP does not have any related parties. As a result, we do not have a relationship with any related parties.

KKFP only receives compensation directly from clients. We do not receive compensation from any outside source. We do not have any conflicts of interest with any outside party.

Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading





As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each client. Our clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc. and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

Code of Ethics Description

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to clients.
- Competence - Associated persons shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matter shall reflect credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide of copy of its Code of Ethics to any client or prospective client upon request.

Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

Neither our firm, its associates or any related person is authorized to recommend to a client, or effect a transaction for a client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

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

Our firm and its "related persons" do not invest in the same securities, or related securities, e.g., warrants, options or futures, which we recommend to clients.



Trading Securities at/Around the Same Time as Client's Securities

Because our firm and its "related persons" do not invest in the same securities, or related securities, e.g., warrants, options or futures, which we recommend to clients, we do not trade in securities at or around the same time as clients.

Investment Advice Relating to Retirement Accounts

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

In addition, and as required by this rule, we provide information regarding the services that we provide to you, and any material conflicts of interest, in this brochure and in your client agreement.

Item 12: Brokerage Practices

Factors Used to Select Custodians and/or Broker-Dealers

Kelly Klingaman Financial Planning LLC does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to the client based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

1. Research and Other Soft-Dollar Benefits

We currently do not receive soft dollar benefits.

2. Brokerage for Client Referrals

We receive no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker/Dealer/Custodian to Use

We do recommend a specific custodian for clients to use, however, clients may custody their assets at a custodian of their choice. Clients may also direct us to use a specific broker-dealer to execute transactions. By allowing clients to choose a specific custodian, we may be unable to achieve most favorable execution of client transaction, and this may cost clients' money over using a lower-cost custodian.

Aggregating (Block) Trading for Multiple Client Accounts

Investment advisers may elect to purchase or sell the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as aggregating orders, batch trading or block trading. We do not engage in block trading. It should be noted that implementing trades on a block or aggregate basis may be less expensive for client accounts; however, it is our trading policy is to implement all client orders on an individual basis. Therefore, we do not aggregate or “block” client transactions. Considering the types of investments, we hold in advisory client accounts, we do not believe clients are hindered in any way because we trade accounts individually. This is because we develop individualized investment strategies for clients and holdings will vary. Our strategies are primarily developed for the long-term and minor differences in price execution are not material to our overall investment strategy.

Item 13: Review of Accounts

Annual Advisory Service accounts will be reviewed regularly by Kelly M. Klingaman, President and CCO. During the regular review process, the client’s account will be compared to similarly managed accounts to identify any unacceptable performance deviation. Other events that would trigger an account review would be unusual performance, addition or deletions of client-imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per client’s needs. Accounts under advisement will be reviewed annually. Additionally, reasonable client-imposed restrictions will be reviewed to confirm that they are being enforced.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as annual statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

KKFP will provide written or electronic reports to its Annual Advisory Services investment management clients on an annual basis. We urge clients to compare these reports against the account statements they receive from their custodian.

KKFP does not provide any specific reports to hourly financial planning clients, other than their financial plan.

Item 14: Client Referrals & Other Compensation

We do not receive any economic benefit, directly or indirectly from any third party for advice rendered to our clients. Nor do we directly or indirectly compensate any person who is not advisory personnel for client referrals.



Item 15: Custody

KKFP does not accept custody of client funds, however it is deemed to have limited custody solely with its ability to withdraw fees from clients' accounts. Clients should receive at least annual statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the account statements or reports that we may provide to you. Our statements or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16: Investment Discretion

For our Annual Advisory Client accounts, KKFP maintains discretion over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the client will execute a Limited Power of Attorney, which will grant our firm discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the client.

Item 17: Voting Client Securities

We do not vote client proxies. Therefore, clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the client's investment assets. The client shall instruct the client's qualified custodian to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. If the client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

Item 18: Financial Information

Registered Investment Advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and we have not been the subject of a bankruptcy proceeding.

We do not have custody of client funds or securities or nor do not require the prepayment of fees of more than \$500 six months or more in advance.

Item 19: Requirements for State-Registered Advisors

Kelly M. Klingaman, CFP®

Born: 1988

Educational Background

- 2011 – Bachelor of Business Administration in Finance, University of Texas at Austin McCombs School of Business

Business Experience

- 01/2022 – Present, Kelly Klingaman Financial Planning LLC, President and CCO
- 08/2011 – 01/2022, Dimensional Fund Advisors, Vice President and Regional Director

Professional Designations, Licensing & Exams


CERTIFIED FINANCIAL PLANNER™ professional

I am certified for financial planning services in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”). Therefore, I may refer to myself as a CERTIFIED FINANCIAL PLANNER™ professional or a CFP® professional, and I may use these and CFP Board’s other certification marks (the “CFP Board Certification Marks”). The CFP® certification is voluntary. No federal or state law or regulation requires financial planners to hold the CFP® certification. You may find more information about the CFP® certification at www.cfp.net.

CFP® professionals have met CFP Board’s high standards for education, examination, experience, and ethics. To become a CFP® professional, an individual must fulfill the following requirements:

- **Education** – Earn a bachelor’s degree or higher from an accredited college or university and complete CFP Board-approved coursework at a college or university through a CFP Board Registered Program. The coursework covers the financial planning subject areas CFP Board has determined are necessary for the competent and professional delivery of financial planning services, as well as a comprehensive financial plan development capstone course. A candidate may satisfy some of the coursework requirement through other qualifying credentials.
- **Examination** – Pass the comprehensive CFP® Certification Examination. The examination is designed to assess an individual’s ability to integrate and apply a broad base of financial planning knowledge in the context of real-life financial planning situations.
- **Experience** – Complete 6,000 hours of professional experience related to the personal financial planning process, or 4,000 hours of apprenticeship experience that meets additional requirements.
- **Ethics** – Satisfy the Fitness Standards for Candidates for CFP® Certification and Former CFP® Professionals Seeking Reinstatement and agree to be bound by CFP Board’s Code of Ethics and Standards of Conduct (“Code and Standards”), which sets forth the ethical and practice standards for CFP® professionals.





Individuals who become certified must complete the following ongoing education and ethics requirements to remain certified and maintain the right to continue to use the CFP Board Certification Marks:

- **Ethics** – Commit to complying with CFP Board’s Code and Standards. This includes a commitment to CFP Board, as part of the certification, to act as a fiduciary, and therefore, act in the best interests of the client, at all times when providing financial advice and financial planning. CFP Board may sanction a CFP® professional who does not abide by this commitment, but CFP Board does not guarantee a CFP® professional’s services. A client who seeks a similar commitment should obtain a written engagement that includes a fiduciary obligation to the client.
- **Continuing Education** – Complete 30 hours of continuing education every two years to maintain competence, demonstrate specified levels of knowledge, skills, and abilities, and keep up with developments in financial planning. Two of the hours must address the Code and Standards.

Other Business Activities

Kelly M. Klingaman is not involved with outside business activities.

Performance Based Fees

KKFP is not compensated by performance-based fees.

Material Disciplinary Disclosures

No management person at Kelly Klingaman Financial Planning LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

Material Relationships That Management Persons Have with Issuers of Securities

Kelly Klingaman Financial Planning LLC, nor Kelly M. Klingaman, have any relationship or arrangement with issuers of securities.





Business Continuity Plan Notice

General

Kelly Klingaman Financial Planning LLC has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

Disasters

The Business Continuity Plan covers natural disasters such as snowstorms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

Alternate Offices

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

Loss of Key Personnel

Kelly Klingaman Financial Planning LLC is operated as an LLC with Kelly M. Klingaman as the President and CCO. As the sole employee, the business depends fully on her capabilities. In the case of her disability, steps will be taken to determine if the business will continue and in what capacity. In the case of her death, there is no plan for continuation of the business and the business must be dissolved. At that time, clients will be notified.



Privacy Notice

FACTS: What does Kelly Klingaman Financial Planning LLC do with your personal information?

WHY? Registered Investment Advisers choose how they share your personal information. Federal law gives clients the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

WHAT? The types of personal information we collect, and share depend on the product or service you have with us. This information can include:

- Information you provide in the subscription documents and other forms (including name, address, social security number, date of birth, income and other financial-related information); and
- Data about your transactions with us (such as the types of investments you have made and your account status).

HOW? All financial companies need to share clients' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their clients' personal information; the reasons Kelly Klingaman Financial Planning LLC chooses to share; and whether you can limit this sharing.

REASONS WE CAN SHARE YOUR PERSONAL INFORMATION

- **For our everyday business purposes**— to process your transactions, maintain your accounts (for example we may share with our third-party service providers that perform services on our behalf or on your behalf, such as accountants, attorneys, consultants, clearing and custodial firms, and technology companies, respond to court orders and legal investigations, or report to credit bureaus.
- **For Marketing purposes**— to offer our products and services to you

HOW DO WE PROTECT YOUR INFORMATION?

- To safeguard your personal information from unauthorized access and use, we maintain physical, procedural and electronic safeguards. These include computer safeguards such as passwords, secured files and buildings.
- Our employees are advised about KKFP's need to respect the confidentiality of each client's non-public personal information. We train our employees on their responsibilities.
- We require third parties that assist in providing our services to you to protect the personal information they receive. This includes contractual language in our third-party agreements.

OTHER IMPORTANT INFORMATION

We will send you notice of our Privacy Policy annually for as long as you maintain an ongoing relationship with us. Periodically we may revise our Privacy Policy and will provide you with a revised policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

Kelly Klingaman

FINANCIAL PLANNING

11314 Aden Ct
Austin, TX 78739
512-222-7982

www.kkfp.co

Dated February 13, 2024
Form ADV Part 2B – Brochure Supplement

For
Kelly M. Klingaman
President, and Chief Compliance Officer

This brochure supplement provides information about Kelly M. Klingaman that supplements the Kelly Klingaman Financial Planning LLC (“KKFP”) brochure. A copy of that brochure precedes this supplement. Please contact Kelly M. Klingaman if the KKFP brochure is not included with this supplement or if you have any questions about the contents of this supplement. Kelly M. Klingaman is licensed as an Investment Adviser Representative in Texas. Additional information about Kelly M. Klingaman is available on the SEC’s website at www.adviserinfo.sec.gov which can be found using the identification number 5983833.

Item 2: Educational Background & Business Experience

Kelly M. Klingaman, CFP®

Born: 1988

Educational Background

- 2011 – Bachelor of Business Administration in Finance, University of Texas at Austin McCombs School of Business

Business Experience

- 01/2022 – Present, Kelly Klingaman Financial Planning LLC, President and CCO
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Professional Designations, Licensing & Exams

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Continuing Education – Complete 30 hours of continuing education every two years to maintain competence, demonstrate specified levels of knowledge, skills, and abilities, and keep up with developments in financial planning. Two of the hours must address the Code and Standards.

Item 3: Disciplinary Information

Kelly M. Klingaman does not have a disciplinary history to report.

Item 4: Other Business Activities

Kelly M. Klingaman is not involved with outside business activities.

Item 5: Additional Compensation

Kelly M. Klingaman does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through KKFP.

Item 6: Supervision

Kelly M. Klingaman, as President and Chief Compliance Officer of KKFP, is responsible for supervision and supervises personnel and the investments made in client accounts. Kelly M. Klingaman monitors the investments to ensure they are suitable for the client and consistent with their investment needs, goals, objectives and risk tolerance, as well as any restrictions previously requested by the client. She may be contacted at the phone number on this brochure supplement.

Item 7: Requirements for State-Registered Advisors

Kelly M. Klingaman has NOT been found liable in an arbitration, civil, self-regulatory, or administrative proceeding, and has not been subject of a bankruptcy petition.