

# Eastlake Planning LLC

## Wrap Fee Program Brochure

*This wrap fee brochure provides information about the qualifications and business practices of Eastlake Planning LLC. If you have any questions about the contents of this brochure, please contact us at (214) 549-6136 or by email at: [evan@eastlakeplanning.com](mailto:evan@eastlakeplanning.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.*

*Additional information about Eastlake Planning LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Eastlake Planning LLC's CRD number is: 331427.*

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*Registration as an investment adviser does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

Eastlake Planning LLC has not yet filed an annual updating amendment to this Wrap Fee Program Brochure. Therefore there are no material changes to this brochure to report.

## Item 3: Table of Contents

Item 2: Material Changes .....	i
Item 3: Table of Contents .....	2
Item 4: Services Fees and Compensation.....	4
A. Description of Services .....	4
B. Contribution Cost Factors .....	5
C. Additional Fees.....	5
D. Compensation of Client Participation.....	5
Item 5: Account Requirements and Types of Clients.....	5
Item 6: Portfolio Manager Selection and Evaluation .....	5
A. Selecting/Reviewing Portfolio Managers.....	5
Standards Used to Calculate Portfolio Manager Performance.....	6
Review of Performance Information .....	6
B. Related Persons.....	6
C. Advisory Business.....	6
Wrap Fee Portfolio Management.....	6
Performance-Based Fees and Side-By-Side Management.....	7
Services Limited to Specific Types of Investments .....	7
Client Tailored Services and Client Imposed Restrictions .....	7
Wrap Fee Programs .....	7
Amounts Under Management .....	8
Methods of Analysis and Investment Strategies .....	8
Material Risks Involved .....	8
Risks of Specific Securities Utilized.....	9
Voting Client Proxies.....	10
Item 7: Client Information Provided to Portfolio Managers.....	10
Item 8: Client Contact with Portfolio Managers.....	11
Item 9: Additional Information.....	11
A. Disciplinary Action and Other Financial Industry Activities .....	11
Criminal or Civil Actions.....	11

Administrative Proceedings .....	11
Self-regulatory Organization Proceedings .....	11
Registration as a Broker/Dealer or Broker/Dealer Representative .....	11
Registration as a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor.....	11
Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests .....	11
Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections .....	12
B. Code of Ethics, Client Referrals, and Financial Information.....	12
Code of Ethics .....	12
Recommendations Involving Material Financial Interests .....	12
Investing Personal Money in the Same Securities as Clients.....	12
Trading Securities At/Around the Same Time as Clients' Securities .....	13
Frequency and Nature of Periodic Reviews and Who Makes Those Reviews .....	13
Factors That Will Trigger a Non-Periodic Review of Client Accounts.....	13
Content and Frequency of Regular Reports Provided to Clients.....	13
Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes) .....	13
Compensation to Non - Advisory Personnel for Client Referrals.....	13
Balance Sheet .....	13
Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients .....	14
Bankruptcy Petitions in Previous Ten Years.....	14
Item 10: Requirements for State Registered Advisers.....	14
Material Relationships (If Any) With Issuers of Securities .....	14

## Item 4: Services Fees and Compensation

Eastlake Planning LLC (hereinafter "Eastlake Planning") offers the following services to advisory clients:

### A. Description of Services

Eastlake Planning participates in and sponsors wrap fee programs, which means Eastlake Planning will wrap third party fees (i.e., custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.) for wrap fee portfolio management accounts. Eastlake Planning will charge clients one fee, and pay all transaction fees using the fee collected from the client. Accounts participating in the wrap fee program are not charged higher advisory fees based on trading activity, but clients should be aware that Eastlake Planning has an incentive to limit trading activities for those accounts since the firm absorbs those transaction costs.

Certain other fees are not included in the wrap fee and are paid for separately by the client. These include, but are not limited to, margin costs, charges imposed directly by a mutual fund or exchange traded fund, 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.

The fee schedule is set forth below:

Total Assets Under Management	Annual Fees
All Assets	1.10%

The advisory fee is calculated using the value of the assets in the Account on the last business day of the prior billing period.

These fees are generally negotiable and the final fee schedule will be memorialized in the client's advisory agreement. Clients may terminate the agreement without penalty for a full refund of Eastlake Planning's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract immediately upon written notice.

These fees are negotiable.

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a monthly basis. Fees are paid in advance. For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate\* times the number of days elapsed in

the billing period up to and including the day of termination. (\*The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

## **B. Contribution Cost Factors**

The program may cost the client more or less than purchasing such services separately. There are several factors that bear upon the relative cost of the program, including the trading activity in the client's account, the adviser's ability to aggregate trades, and the cost of the services if provided separately (which in turn depends on the prices and specific services offered by different providers).

## **C. Additional Fees**

Clients who participate in the wrap fee program will not have to pay for transaction or trading fees. However, clients are still responsible for all other account fees, such as annual IRA fees to the custodian, transition fees if the account is moved to another broker, or mutual fund fees.

## **D. Compensation of Client Participation**

Neither Eastlake Planning, nor any representatives of Eastlake Planning receive any additional compensation beyond advisory fees for the participation of client's in the wrap fee program. However, compensation received may be more than what would have been received if client paid separately for investment advice, brokerage, and other services. Therefore, Eastlake Planning may have a financial incentive to recommend the wrap fee program to clients.

# **Item 5: Account Requirements and Types of Clients**

Eastlake Planning generally provides its wrap fee program services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

There is no account minimum.

# **Item 6: Portfolio Manager Selection and Evaluation**

## **A. Selecting/Reviewing Portfolio Managers**

Eastlake Planning will not select any outside portfolio managers for management of this wrap fee program. Eastlake Planning will be the sole portfolio manager for this wrap fee program.

### ***Standards Used to Calculate Portfolio Manager Performance***

Eastlake Planning will use industry standards to calculate portfolio manager performance.

### ***Review of Performance Information***

Eastlake Planning reviews the performance information to determine and verify its accuracy and compliance with presentation standards. The performance information is reviewed quarterly and is reviewed by Eastlake Planning.

## **B. Related Persons**

Eastlake Planning and its personnel serve as the portfolio managers for all wrap fee program accounts. This is a conflict of interest in that no outside adviser assesses Eastlake Planning's management of the wrap fee program. However, Eastlake Planning addresses this conflict by acting in its clients' best interest consistent with its fiduciary duty as sponsor and portfolio manager of the wrap fee program.

## **C. Advisory Business**

Eastlake Planning offers portfolio management services to its wrap fee program participants as discussed in Section 4 above.

### ***Wrap Fee Portfolio Management***

Eastlake Planning offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. Eastlake Planning creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Portfolio management includes, but is not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

Eastlake Planning evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

Portfolio management accounts participating in the wrap fee program will not have to pay for transaction or trading fees. Eastlake Planning will charge clients one fee, and pay transaction fees using the advisory fee collected from the client. Certain other fees are not included in the wrap fee and are paid for separately by the client. These include, but are not limited to, margin costs, charges imposed directly by a mutual fund or exchange traded fund, 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.

Accounts participating in the wrap fee program are not charged higher advisory fees based on trading activity, but clients should be aware that Eastlake Planning has an incentive to limit trading activities for those accounts since the firm absorbs those transaction costs. To address this conflict, Eastlake Planning will always act in the best interest of its clients consistent with its fiduciary duty as an investment adviser.

### ***Performance-Based Fees and Side-By-Side Management***

Eastlake Planning does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

### ***Services Limited to Specific Types of Investments***

Eastlake Planning generally limits its investment advice to mutual funds, fixed income securities, insurance products including annuities, equities and ETFs, although Eastlake Planning primarily recommends ETFs for tax efficiency in non-qualified accounts. Eastlake Planning may use other securities as well to help diversify a portfolio when applicable.

### ***Client Tailored Services and Client Imposed Restrictions***

Eastlake Planning will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by Eastlake Planning on behalf of the client. Eastlake Planning may use model allocations together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent Eastlake Planning from properly servicing the client account, or if the restrictions would require Eastlake Planning to deviate from its standard suite of services, Eastlake Planning reserves the right to end the relationship.

### ***Wrap Fee Programs***

Eastlake Planning sponsors and acts as portfolio manager for this wrap fee program. The fees paid to the wrap account program will be given to Eastlake Planning as a management fee.



## *Amounts Under Management*

Eastlake Planning has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0	\$0	May 2024

## *Methods of Analysis and Investment Strategies*

Eastlake Planning's methods of analysis include Fundamental analysis and Modern portfolio theory.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

Eastlake Planning uses long term trading.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## *Material Risks Involved*

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Modern portfolio theory** assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### ***Risks of Specific Securities Utilized***

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Risks in investing in ETFs include trading risks, liquidity and shutdown risks, risks associated with a change in authorized participants and non-participation of authorized participants, risks that trading price differs from indicative net asset value (iNAV), or price fluctuation and disassociation from the index being tracked. With regard to trading risks, regular trading adds cost to your portfolio thus counteracting the low fees that one of the typical benefits of ETFs. Additionally, regular trading to beneficially “time the market” is difficult to achieve. Even paid fund managers struggle to do this every year, with the majority failing to beat the relevant indexes. With regard to liquidity and shutdown risks, not all ETFs have the same level of liquidity. Since ETFs are at least as liquid as their underlying assets, trading conditions are more accurately reflected in implied liquidity rather than the average daily

volume of the ETF itself. Implied liquidity is a measure of what can potentially be traded in ETFs based on its underlying assets. ETFs are subject to market volatility and the risks of their underlying securities, which may include the risks associated with investing in smaller companies, foreign securities, commodities, and fixed income investments (as applicable). Foreign securities in particular are subject to interest rate, currency exchange rate, economic, and political risks, all of which are magnified in emerging markets. ETFs that target a small universe of securities, such as a specific region or market sector, are generally subject to greater market volatility, as well as to the specific risks associated with that sector, region, or other focus. ETFs that use derivatives, leverage, or complex investment strategies are subject to additional risks. The return of an index ETF is usually different from that of the index it tracks because of fees, expenses, and tracking error. An ETF may trade at a premium or discount to its net asset value (NAV) (or indicative value in the case of exchange-traded notes). The degree of liquidity can vary significantly from one ETF to another and losses may be magnified if no liquid market exists for the ETF's shares when attempting to sell them. Each ETF has a unique risk profile, detailed in its prospectus, offering circular, or similar material, which should be considered carefully when making investment decisions.

**Annuities** are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### ***Voting Client Proxies***

Eastlake Planning will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 7: Client Information Provided to Portfolio Managers**

All client information material to managing the portfolio (including basic information, risk tolerance, sophistication level, and income level) is provided to the portfolio manager. The portfolio manager will also have access to that information as it changes and is updated.

## **Item 8: Client Contact with Portfolio Managers**

Eastlake Planning places no restrictions on client ability to contact its portfolio managers. Eastlake Planning's representative, Evan Robert McDaniel can be contacted during regular business hours and contact information is on the cover page of Evan Robert McDaniel's Form ADV Part 2B brochure supplement.

## **Item 9: Additional Information**

### **A. Disciplinary Action and Other Financial Industry Activities**

#### ***Criminal or Civil Actions***

There are no criminal or civil actions to report.

#### ***Administrative Proceedings***

There are no administrative proceedings to report.

#### ***Self-regulatory Organization Proceedings***

There are no self-regulatory organization proceedings to report.

#### ***Registration as a Broker/Dealer or Broker/Dealer Representative***

Neither Eastlake Planning nor its representatives are registered as or have pending applications to become a broker/dealer or as representatives of a broker/dealer.

#### ***Registration as a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor***

Neither Eastlake Planning nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor.

#### ***Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests***

Evan Robert McDaniel is an independent licensed insurance agent. This activity creates a conflict of interest since there is an incentive to recommend insurance products based on commissions or other benefits received from the insurance company, rather than on the client's needs. Additionally, the offer and sale of insurance products by supervised persons of Eastlake Planning are not made in their capacity as a fiduciary, and products are limited to only those offered by certain insurance providers. Eastlake Planning addresses this conflict of interest by requiring its supervised persons to act in the best interest of the client at all times, including when acting as an insurance agent. Eastlake

Planning periodically reviews recommendations by its supervised persons to assess whether they are based on an objective evaluation of each client's risk profile and investment objectives rather than on the receipt of any commissions or other benefits. Eastlake Planning will disclose in advance how it or its supervised persons are compensated and will disclose conflicts of interest involving any advice or service provided. At no time will there be tying between business practices and/or services (a condition where a client or prospective client would be required to accept one product or service conditioned upon the selection of a second, distinctive tied product or service). No client is ever under any obligation to purchase any insurance product. Insurance products recommended by Eastlake Planning's supervised persons may also be available from other providers on more favorable terms, and clients can purchase insurance products recommended through other unaffiliated insurance agencies.

### ***Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections***

Eastlake Planning does not utilize nor select other advisors or third party managers. All assets are managed by Eastlake Planning management.

## **B. Code of Ethics, Client Referrals, and Financial Information**

### ***Code of Ethics***

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

### ***Recommendations Involving Material Financial Interests***

Eastlake Planning does not recommend that clients buy or sell any security in which a related person to Eastlake Planning or Eastlake Planning has a material financial interest.

### ***Investing Personal Money in the Same Securities as Clients***

From time to time, representatives of Eastlake Planning may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of Eastlake Planning to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of

interest. Eastlake Planning will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

### ***Trading Securities At/Around the Same Time as Clients' Securities***

From time to time, representatives of Eastlake Planning may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of Eastlake Planning to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, Eastlake Planning will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

### ***Frequency and Nature of Periodic Reviews and Who Makes Those Reviews***

Client accounts are reviewed at least quarterly only by Evan Robert McDaniel, Title. Evan Robert McDaniel is the chief advisor and is instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at Eastlake Planning are assigned to this reviewer.

### ***Factors That Will Trigger a Non-Periodic Review of Client Accounts***

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### ***Content and Frequency of Regular Reports Provided to Clients***

Each client will receive at least quarterly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

### ***Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)***

Eastlake Planning does not receive any economic benefit, directly or indirectly from any third party for advice rendered to Eastlake Planning clients.

### ***Compensation to Non – Advisory Personnel for Client Referrals***

Eastlake Planning does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

### ***Balance Sheet***

Eastlake Planning does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

***Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients***

Neither Eastlake Planning nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

***Bankruptcy Petitions in Previous Ten Years***

Eastlake Planning has not been the subject of a bankruptcy petition in the last ten years.

**Item 10: Requirements for State Registered Advisers**

***Material Relationships (If Any) With Issuers of Securities***

Neither Eastlake Planning, nor its management persons, has any relationship or arrangement with issuers of securities.