

Firm Brochure
(Part 2A of Form ADV)



Tea & Taxes Company dba
ProsperiTea Planning
3 Grinnell St
Greenfield, Massachusetts 01301-3601

Contact Information

(413) 829-4832

www.ProsperiTeaPlanning.com

Office@ProsperiTeaPlanning.com

This brochure provides information about the qualifications and business practices of ProsperiTea Planning. If you have any questions about the contents of this brochure, please contact us directly. 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.

ProsperiTea Planning is registered as an investment advisor with the Commonwealth of Massachusetts. 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 the information with which you determine whether to hire or retain an Advisor. Additional information about ProsperiTea Planning is available on the SEC's website at www.adviserinfo.sec.gov

February 5, 2020

Item 2 - Material Changes

The following changes have been made to this version of the Disclosure Brochure:

Minimum fees were updated in Part 5.

Future Changes:

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of ProsperiTea Planning.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for our firm name or by our CRD number 282041.

You may also request a copy of this Disclosure Brochure at any time, by contacting us at (413) 829-4832.

Item 3 -Table of Contents

Contents

Item 2 - Material Changes	2
Item 3 -Table of Contents	3
Item 4 - Advisory Business	5
Firm Description	5
Types of Advisory Services	6
Investment Management Services (Clients have discretion over trades to make):	6
Financial Planning:	6
Tax Planning & Preparation:	7
Investment Management Services (ProsperiTea has discretion over trades to make):	7
Non-Advisory Services	8
Item 5 - Fees and Compensation	8
ProsperiTea Planning Model	8
XY Tea Model	10
Tea T.I.M.E. (Taxes and Investment Management Experience)	10
Project-based Financial Planning	11
Hourly Financial Planning	11
Compensation Arrangements	11
Past Due Accounts and Termination of Agreement	12
Discounts	13
Other Compensation	13
Add-ons, credits, and miscellaneous adjustments	13
Investment Management Account Fees	13
Expense Ratios	14
Item 6 - Performance-Based Fees and Side-by-Side Management	14
Item 7 - Types of Clients	15
Item 8 - Methods of Analysis, Investment Strategies, and Risk of Loss	15

Methods of Analysis	15
Investment Strategies	15
Risk of Loss	17
Item 9 - Disciplinary Information	18
Item 10 -Other Financial Industry Activities and Affiliations	18
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	19
Code of Ethics	19
Participation or Interest in Client Transactions	20
Personal Trading	20
Item 12 - Brokerage Practices	20
Selecting Brokerage Firms	21
Best Execution	21
Soft Dollars	21
Order Aggregation	22
Item 13 - Review of Accounts	22
Item 14 -Client Referrals and Other Compensation	22
Item 15 - Custody	23
Item 16 - Investment Discretion	23
Limited Power of Attorney	23
Discretionary Authority for Trading	24
Item 18 - Financial Information	24
Item 19 - Requirements for State Licensed Investment Advisors	25
Item 20 – Succession & Continuity Planning	29
Continuity Plan	29
Succession Plan	29
Brochure Advisor Supplement (Part 2B of Form ADV) - Item 1	31
Part 2B Item 2 – Educational Background and Business Experience	32
Credentials:	32
Education:	32
Honors:	32
Business Experience:	32
Other Business Activities:	33

Item 4 - Advisory Business

Firm Description

ProsperiTea Planning, a fee-only fiduciary financial planning and investment advisory firm, was founded in 2015 by Wendy Marsden, CPA, CFP® as an evolution of her tax practice, Tea & Taxes Company. ProsperiTea Planning operated as a sole proprietorship in 2015-2018, and then, when the tax practice was nearly wound down, ProsperiTea Planning merged back into Tea & Taxes Company, now with financial planning as the primary product. The two firms shared common data security, administrative support, and facilities. After the merger, they are now distinguished as two separate business lines with separate email domains, pricing policies, and differing engagement structures.

ProsperiTea Planning distinguishes itself from traditional investment advisory firms by combining tax planning and preparation, investment advising, and comprehensive financial planning all in a fixed fee annual contract where the combined experience of a CPA and CFP® are brought to bear on the client's holistic needs.

ProsperiTea Planning operates under the highest professional fiduciary standards (see Item 19 for a more detailed explanation). Services are offered from an 1880 Victorian home in Greenfield, Massachusetts that is configured to be both the business workplace and Wendy's home. We also offer online advising using video-conferencing and cloud-based software.

Tailored Relationships

Each client relationship is unique to the needs of the client. We provide a range of services, described below. The package ProsperiTea Planning applies for your engagement is determined by your specific situation and is further described in Item 5.

A major portion of most engagements will involve exploring and detailing your goals, values, and objectives.

To introduce us to your risk personality, you complete a risk tolerance questionnaire as part of a conversation about your understanding and experience with risk. The answers help us to determine an appropriate asset allocation for you, bearing in mind, as well, your goals and the resources you already have to achieve them.

We create an Investment Policy Statement that lists your stated goals, values, and objectives, incorporates your risk tolerance as demonstrated from the results of the risk tolerance questionnaires, and considers cash flow needs learned from financial planning, if applicable. You may impose restrictions on investing in certain securities or types of securities.

Each client receives their own secure access to several individualized online tools:

- a secure Sharefile portal that you access using your email and a password you set.

- an online data aggregator tool, Blueleaf, that can give you a detailed overview of your various investments in many locations.
- online financial planning software configured with your specific scenario

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by you on an as-needed basis. Conflicts of interest will be disclosed to you in the unlikely event they should occur.

Types of Advisory Services

Investment Management Services (Clients have discretion over trades to make):

Clients may choose to have ProsperiTea Planning manage their assets in order to obtain ongoing in-depth investment advising combined with tax preparation. We develop an Investment Policy Statement (IPS) which serves as the road map we will follow in the management of assets. Over time, we update the IPS to reflect changes in your goals and objectives. Consequently, we need you to communicate frequently with us so that we are up to date in this regard at all times.

When ProsperiTea Planning manages assets under your discretion, we respond to your request for distribution of funds or integration of new investments, as well as regularly review the portfolio allocation on an ongoing basis, then propose trades for you following the investment objectives written in your Investment Policy Statement. We do not make trades without your prior approval, meaning, you keep “discretion” over the account.

We request that Clients give us limited trading authority to make the trades they’ve authorized on their behalf whenever possible. We also request that Clients authorize us to work with their financial power of attorney if they, themselves, become incapacitated during our engagement.

On January 31, 2020, we have \$22,969,745 in Assets Under Management for which we have a limited power of attorney and the obligation and ability to propose and make trades.

Financial Planning:

Financial planning necessarily involves many small interactions. The Advisor relies on the knowledge she brings to bear from previous experience as well as incidental things she knows about the client to provide financial planning, which may include (but is not limited to) the following

- Goal Assessment and Clarification;
- Tax planning at the end of the year, which may include tax-loss harvesting;
- Analysis of your current situation, including developing a Net Worth Statement, insurance review, employee benefit analysis or an inventory of assets for estate

planning

- Developing asset allocation strategies with considering the client's goals, values, and risk tolerance that forms the Investment Policy Statement;
- Identification of financial problems and formulations of solutions, with a specific focus on issues relevant to the client, such as college savings, retirement distribution strategies, estate planning, special needs planning, planning for charitable giving, or analysis and recommendations concerning any investment property or business plans;
- Any other topics where the services of a CPA/PFS CFP® would be helpful;
- Implementation of recommendations selected by the client over the course of several meetings during the entire year;
- Periodic review and updates to the plan in subsequent years.

We provide these services using in-depth consultations with clients. We may meet in person or using video-conferencing technology.

Tax Planning & Preparation:

We provide tax planning each fall to all our clients and planning for quarterly estimated taxes each spring to our clients who benefit from it.

Most ProsperiTea Planning engagements also include tax preparation as part of the annual contract unless agreed upon not to. (See each individual advisory agreement.)

Investment Management Services (ProsperiTea has discretion over trades to make):

In rare situations, clients may choose to have ProsperiTea Planning take discretion over which trades to make. These services would only be appropriate for someone who has been a long-term client and whose financial planning and tax situations are well-known to ProsperiTea Planning, and whose specific situation would make it difficult for them to respond to approve proposed trades.

In addition to an Investment Policy Statement (IPS), we would create an Investment Advisory Agreement that focuses on asset management. Additional fees apply, as outlined in Item 5.

When ProsperiTea Planning manages assets under our discretion, we respond to your request for distribution of funds or integration of new investments, as well as regularly review the portfolio allocation on an ongoing basis, then make the trades for you following the investment objectives written in your Investment Policy Statement. We may also, from time to time, make trades without your prior approval, meaning, we have "discretion" over the account.

Non-Advisory Services

Tax preparation is also offered under the name Tea & Taxes in non-advisory engagements. Since 2014, this stand-alone service has been closed to new customers.

On occasion, ProsperiTea Planning may provide educational seminars online or to groups. Topics that we have previously presented include tax updates, estate planning, introduction to the financial planning process, college planning, social security strategies, budget preparation, reviewing tax returns, and introduction to investments.

Item 5 - Fees and Compensation

ProsperiTea Planning is paid according to the amount set in the contract in advance for that engagement. The method of calculation can vary depending on the package.

ProsperiTea Planning chooses the package that is appropriate for what needs we are meeting for you. It is designed to fit your situation, neither under nor over-serving you.

The four different packages are:

- 1.) **ProsperiTea Planning Open Retainer:** the most common package. It follows the Alliance of Comprehensive Planners model and includes investment management & financial planning, and tax planning & preparation, (the contract can be modified to not include tax preparation if you have another accountant);
- 2.) **XY Tea** model: a limited retainer for clients who only need some of the full range of services and are comfortable meeting around twice a year;
- 3.) The **Tea T.I.M.E. (Taxes and Investment Management Experience):** option typically includes 1 to 2 meetings a year and is suitable for people for whom financial planning has previously been done (or is not requested) and they need investment management services along with tax preparation where ProsperiTea Planning takes discretion over trading on the accounts;
- 4.) **Project-based Financial Planning:** on rare occasions, we will accept a limited scope engagement. These are offered on a case by case basis.

ProsperiTea Planning Model

ProsperiTea Planning is priced under an “open retainer” model. Fees are calculated based on the client’s amount and sources of income, overall complexity, net worth, and number of adults in the family. The amount charged is calculated once a year at the beginning of the engagement and each anniversary after that. The annual retainer fee ranges from a minimum of \$6,000 (to new clients) to \$25,000. The calculation is individual for each

engagement, using a formula developed by, and for, the Alliance of Comprehensive Planners. An adjustment is made if we do not prepare your taxes.

We provide these services using in-depth consultations with clients. An initial meeting, which may be by telephone, is free of charge and is considered an exploratory interview to determine whether or not we can effectively be of service to you, as well as to allow you to evaluate us. If both the Advisor and the Client feel that ProsperiTea Planning can meet the Client's needs, a second meeting is arranged to present the fees and chart the course of action.

During the initial year as an Open Retainer client, there are typically 5 or 6 meetings covering client-relevant topics. The meetings are individualized to each client, but will generally include at least:

- Goal setting, and analysis of your current situation, including developing a Net Worth statement, and an inventory of assets for estate planning;
- Tax preparation in tax season, and tax planning for the current year;
- Developing an Investment Policy Statement for investors, or, if not appropriate, a strategy for paying down debt;
- Identifying solutions to pressing financial issues, which might include elements of estate planning, insurance review, college financial planning, advising on employee benefits, advising on home financing issues, monitoring cash flow, or any other matters which might benefit from the advice of a CPA/CFP® professional
- Meetings relevant to implement financial planning recommendations selected by the Client, which may encompass many meetings;

In renewal years there are typically 3 to 5 meetings, which may include:

- Continuing to meet to develop or implement the comprehensive plan, including elements of estate planning, insurance review, college financial planning, advising on employee benefits, advising on home financing issues, monitoring cash flow, and any other matters which might benefit from the advice of a CPA/CFP® professional
- Updating goals, reviewing the client's current situation, and updating the net worth statement
- Tax planning for the current or upcoming year and tax preparation in tax season
- An investment strategy review and portfolio rebalancing
- Any additional meetings required to implement recommendations selected by the Client.

Meetings the first year are typically every six to twelve weeks. We typically see clients only once during the three bottleneck periods: the March-April time-frame (when we're heavily scheduled with tax preparation); the July-August time-frame (when we schedule family vacations); and the November-December time-frame (when we touch base with each of our clients regarding tax planning, while also doing an annual conference for continuing education and having limited work hours because of holidays.)

XY Tea Model

A limited retainer is possible in some cases. This is appropriate in situations when the client is already well known to Wendy Marsden, either because of being a long-term Tea & Taxes Company tax prep client or because of having gone through a comprehensive financial planning experience with ProsperiTea Planning already. It might also be appropriate for a younger client who needs more than just tax preparation services but does not need a full retainer, or an older client who is in the spend-down stage.

The XY Tea model is priced under a formula developed for the XY Planning Network. It is calculated using a base price of \$1,250 plus .75% of the total income (adjusted not to count Roth conversions or realized gains) and .75% of the net worth (adjusted to not include ½ the equity in the primary home or operating cash.)

Generally, this package provides better pricing to people whose combined assets and total income are under \$500,000. In cases where the calculation under the Alliance of Comprehensive Planners formula used by ProsperiTea Planning open retainer model is less, the client will pay the LOWER of the two fees.

There are only two meetings a year under this service, which would include:

- Fall/Winter Tax planning and a review, a meeting of around two hours which might include a review of Clients' risk tolerance and cash flow needs or investment rebalancing and/or tax-loss harvesting;
- Spring/Summer Tax Preparation, a meeting of around two hours which might include a review of the Client's current financial planning situation, including upcoming goals.

In addition to in-person (or virtual) meetings, the client can expect to get regular updates and reminders given to all my retainer clients, and have access via email to the services of Wendy Marsden, CPA/PFS, CFP® as situations arise.

Tea T.I.M.E. (Taxes and Investment Management Experience)

Under certain, very rare situations, ProsperiTea Planning will take discretion over your funds. This option is appropriate for clients who have a limited need for financial planning but do need investment advisory and tax preparation services.

Tea T.I.M.E. Asset Management engagements are covered under Investment Advisory Agreements rather than the Open Retainer Agreement. The Investment Advisory

Agreement specifies that ProsperiTea Planning has the discretion to make trades. The engagement is also covered under an Investment Policy Statement, and the trades are made under a fiduciary obligation to serve the Client's best interests. In most cases, we would also have a Distribution Policy Statement in place as well.

There are typically two meetings a year under this service, which would include:

- Reviewing the Investment Policy Statement and the client's current situation, including a survey of the clients' goals and risk tolerance and cash flow needs;
- Tax Planning & preparation;

Additional services rendered would typically be done without the Client present (although they could be if they wished) and would include:

- Investment implementation;
- Portfolio rebalancing;
- Inventory of assets.

Payment for this service will be based on the GREATER of either the ProsperiTea Planning Open Retainer OR the XY Tea model. There is a minimum annual fee of \$6,000 for this service. The fee will be recalculated annually. The annual invoice is provided in advance.

Project-based Financial Planning

The cost of a Financial Review is a flat fee of \$1,025. This service is generally a two-part meeting, each 1.5 to 2 hours in length. It addresses up to three concerns of the client and includes written recommendations typically in the form of an email at the end of the meeting. No implementation services or ongoing asset management services are provided.

Specific concerns may include identification of financial problems, cash flow, and budget consulting, tax planning as part of a greater financial planning issue, risk exposure review, investment management, education funding, retirement planning, estate planning, charitable goals, small business planning issues, fringe benefits, or other issues specific to the client.

Hourly Financial Planning

On occasion, an incidental planning issue may arise from within the clients in the Tea & Taxes practice. In those cases, there could be an hourly planning charge at \$255/hour. No investment advisory services are offered on an hourly basis. No hourly services are offered to anyone other than previous Tea & Taxes clients.

Compensation Arrangements

Payment plans are tailored to the needs of the client. Project-based Financial Reviews are

payable when services are rendered. For all other ongoing engagements, The ProsperiTea Planning Open Retainer, the XY Tea limited retainer, or the Tea T.I.M.E. investment advisory agreement, an annual invoice is prepared in advance and stated in the contract the first year, and submitted separately for approval in each renewal year. In addition, broken out invoices for each quarter are sent in advance as a courtesy reminder.

Options for payments include:

- The client can pay quarterly by check;
- The client can set up an automatic bill pay to pay the invoice over equal monthly installments using their own bank's billpay service;
- We can set up a billpay subscription for the client to manage and use at AdvicePay;
- The client can approve ProsperiTea Planning to withdraw funds from investment accounts quarterly as a management fee through the investment custodian;

Either you or the Firm may terminate an engagement upon written notice within five days of signing a retainer agreement, at which time any unearned fees paid would be refunded.

Additionally, you may terminate your agreement, without penalty, at any time upon 30 days written notice. If you have made an advance payment, the unearned portion of the payment will be refunded.

Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded.

[Past Due Accounts and Termination of Agreement](#)

We reserve the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in our judgment, to providing proper financial advice.

We reserve the right to terminate any investment management engagement. Reasons for termination might include but are not limited to the client impeding our ability to manage accounts in the client's best interest, per the judgment of ProsperiTea Planning, or failure to pay management fees within 60 days of the presentation of the bill. ProsperiTea Planning will contact the client in writing to discuss the reason for termination. This contract may not be assigned by either party without the express written consent of the other party.

ProsperiTea Planning does not allow any supervised persons (including administrative assistants and para-planners) to accept compensation for the sale of securities or other investments.

Speaking engagements are compensated by negotiated fees based only on the value of

the speaking engagement. Any educational materials sold, such as books, webinars, or online courses, will be priced at market rates and offered to the general public. These sources of revenue have historically been immaterial.

Discounts

We reserve the right to waive or reduce certain fees based on unique individual circumstances, special arrangements, pre-existing relationships, or as otherwise determined by our firm principal. We also reserve the right to decline services to any prospective client for any non-discriminatory reason.

Other Compensation

Add-ons, credits, and miscellaneous adjustments

ProsperiTea Planning Open Retainer and XY Tea Limited Retainer and Tea T.I.M.E. asset management engagements include tax preparation and planning as part of the services offered. However, Tea & Taxes Company would assess a charge of not less than \$300, based on complexity, for each additional **amended** tax return prepared, over and above the ones included in the Open Retainer Agreement. Tea & Taxes Company would also assess a charge of not less than \$350, based on complexity, per return for additional tax returns prepared for relatives of the client, if applicable, that are not dependents. ProsperiTea Planning prepares the tax returns for your dependents and partners covered under the Agreement at no additional charge as part of the existing agreement; this charge is only if you ask us to prepare the tax return of your parent or your adult child or another adult not mentioned in the Open Retainer Agreement.

Tea & Taxes Company offers tax preparation services under a separate engagement to people who are not current ProsperiTea Planning clients, but who might be former ProsperiTea Planning clients. Invoices for those services are billed based on the complexity of the returns using a forms-based charge.

We do not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products and we are not affiliated with entities that sell financial products or securities. We do not accept commissions, finder's fees, or 12b-1 fees and do not participate in wrap fee programs.

Investment Management Account Fees

In most cases, ProsperiTea Planning's fees are exclusive of transaction fees levied by other parties which may be incurred by the client. In the situation where ProsperiTea Planning subcontracts with another asset management firm or purchases tools for the use of the clients, then ProsperiTea Planning will pay the subcontractor's fees.

To the extent that mutual fund or exchange-traded funds are included in a client portfolio,

a client, to a slight degree, pays two management fees. The first is paid directly to us for our ongoing investment management services. The second is paid indirectly in that each mutual fund pays its own investment advisor for the management of the portfolio of securities held by the mutual fund, which are disclosed in a fund's prospectus. We receive no portion of any fee paid by a mutual fund to its advisors. In selecting mutual fund shares to be included in client portfolios, we seek funds with expense ratios that are lower than industry averages and generally prefer "index" funds that have limited investment advisory fees inside them.

If an investment management subcontractor such as Asset Dedication is chosen by ProsperiTea Planning to assist in servicing investment accounts, the subcontractor's fees will be inclusive in the agreement with ProsperiTea Planning, not in addition.

However, Clients may incur certain charges imposed by third party investment management firms not contracted by ProsperiTea Planning, and other third parties such as fees charged by retirement plan custodians, 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. Such charges, fees, and commissions are exclusive of and in addition to ProsperiTea Planning's fee, and the Firm shall not receive any portion of these commissions, fees, and costs.

Please see the section entitled "Brokerage Practices" in Item 12. We are not affiliated with a Broker-Dealer and we do not split commissions or receive commissions, nor do we accept 12-b1 fees or any remuneration from any party other than fees paid to us by our clients as previously described.

Expense Ratios

Mutual funds generally charge a management fee for their services as investment managers. The combination of fund management fees and other fees referred to above is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid by you to ProsperiTea Planning either for the Comprehensive Open Retainer or for Discretionary Investment Management services

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

Item 6 - Performance-Based Fees and Side-by-Side Management

ProsperiTea Planning 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).

Item 7 - Types of Clients

ProsperiTea Planning provides holistic financial planning and investment advisory services primarily to individuals and their families, the closely-held businesses they own, and the trusts and estates they represent.

We strive to work with people from all different walks of life, as such, our retainer model allows us to have no minimum net worth or asset requirements. In practice, though, I am particularly valuable to people who are (or will be) 62 with \$500,000 or more in assets in qualified plans, as the tax issues associated with those plans can make mistakes costly.

My open retainer model makes me a helpful “retirement concierge”, by which I mean I manage your investments to provide you cash flow in retirement, considering how to minimize tax impact, while helping you to be free to go live your fabulous life!

Item 8 - Methods of Analysis, Investment Strategies, and Risk of Loss

Methods of Analysis

For mutual funds, security analysis is done by the fund managers in the creation of the fund composition and may include charting, fundamental analysis, technical analysis, cyclical analysis, and other methods. Our in-house analysis is then done on mutual funds and exchange-traded funds to determine which shall be included in the universe we select for use in our clients’ portfolios.

Our main source of mutual fund and ETF information is the Morningstar database as well as information published by Dimensional Funds, Vanguard and Blackrock. We also use web-forums and conferences and seminars available through the Alliance of Comprehensive Planners, XY Planning Network, Bob Vere’s Insider Forum, National Association of Personal Financial Advisors, and Financial Planning Association. If individual equities are held in accounts, usually by client direction, we primarily use a subscription service to Morningstar to evaluate these securities, along with other public sources of information.

Investment Strategies

Our primary investment strategy used on client accounts is strategic asset allocation which is the decision concerning how much to invest in stocks versus fixed income and money market funds and alternative investments like real estate or tangibles.

The asset allocation decision is the predominant factor impacting an investor’s returns and

forms the core of the client's Investment Policy Statement (IPS) developed over the course of our initial meetings. The IPS takes into consideration your time horizon, your cash flow needs, your risk tolerance, tax status, and other constraints. As your circumstances change, you may change these objectives at any time and we will update this for you as you communicate changes to us. We change the IPS based on endogenous risk rather than exogenous: in other words, we change it if your personal situation has changed, not based on your current predictions of what the market will do.

Once the asset allocation decision is made, we then further diversify the equity components to include funds comprised of large companies, mid-size companies, small companies, as well as international companies. Generally, we use a core position in these sub-categories and complement the sub-categories with satellite funds for the purpose of enhancing performance by reducing risk with further diversification. Core funds and satellite funds may be passive index funds or actively managed funds, as well as individual bonds.

For fixed income, we attempt to time the maturity of securities to client needs. We may use individual fixed income items of investment quality, or mutual funds and exchange-traded funds; however, we also use fixed income mutual funds and exchange-traded fixed-income funds to further diversify the fixed income portion and where there is limited access to brokerage services, as inside workplace retirement plans. These may include funds of different durations (short-term, mid-term and long-term) as well as different quality rankings and entity composition such as United States Treasury and Agency issues, corporate debt and municipal and state debt, including foreign states. It may also include Certificates of Deposit with FDIC-insured banks, or U.S. Treasury Direct accounts.

We primarily use no-load mutual funds with low expense ratios and exchange-traded funds (ETFs) for the equity positions in accounts. We also may use mutual funds and exchange-traded funds for fixed income, or purchase bonds directly through the U.S. Treasury when appropriate for the client's goals. When feasible, we choose funds with no transaction fees to trade. We do not trade frequently in our clients' accounts.

We review funds periodically to determine if they continue to meet our criteria and our Client's objectives. At least annually, we review the total portfolio, which may include outside non-managed assets to assess how all assets in the portfolio are invested and how they complement other assets. The analysis includes a review of available cash for short-term expected needs, overall asset allocation, percentage in stocks, bonds and cash, international and emerging markets exposure, dispersion of company sizes ("large caps", "mid caps", and "small caps"), suitability of asset location for tax planning, suitability of titling for estate planning, weighting towards value or growth, international dispersion, and quality and duration of fixed income. This is then compared to our investment policies and philosophies and the provisions in the Investment Policy Statement. If the portfolio is out of line with our policies and philosophies or the IPS, we will make recommendations on how to rebalance the assets.

Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

Securities Risk: Individual stocks or bonds have more company-specific risk than investments in a pool of securities such as an ETF or mutual fund which would be subject to manager risk. Securities invested in a narrow asset category such as gold or a single country or economic sector have more risk individually than a combination of investments in a more diversified portfolio. We try to mitigate the volatility of all the above risk factors by diversifying investments among issuers, managers, and by asset class, but positive performance is not guaranteed, and past performance is not indicative of future results.

Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

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

Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

Financial Risk: Excessive borrowing to finance a business's operations increases the risk of profitability because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may

result in bankruptcy and/or a declining market value.

Other risks: Various and unpredictable factors such as economic expansion and contraction, global, regional, economic, political or banking crises; lack of liquidity or active trading or other market disruptions; clearing and settlement of transactions may be delayed or disrupted; fees and commissions for trading may change without notice

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 ProsperiTea Planning or the integrity of ProsperiTea Planning's management. ProsperiTea Planning and its management have no legal or disciplinary events to report.

Item 10 -Other Financial Industry Activities and Affiliations

Wendy Marsden, CPA/PFS CFP® is a member of the Alliance of Comprehensive Planners (ACP). This non-profit organization provides training and support through an alliance of fee-only comprehensive financial advisors working with middle-income clients. As a member of the ACP, ProsperiTea Planning has the right to use proprietary products and systems designed by the ACP, which provides ongoing training in the form of an annual conference, as well as services produced by collaborative efforts of the fee-only financial advisor members. As an active member, she regularly presents educational seminars at their annual national conference.

Wendy Marsden, CPA/PFS CFP®, like nearly all ACP members, is an active member of the National Association of Personal Financial Advisors (NAPFA), an organization of comprehensive, fee-only advisors. Requirements for membership include experience and 60 hours of continuing education every two years and adherence to the pledge to be a fee-only fiduciary planner in all engagements. She regularly attends their national conferences and occasionally presents educational material at the MA or CT state chapter meetings.

She is certified to present Ethics training to CFP® professionals, and presented a special Diversity & Inclusion-focused training in San Diego in November 2019.

Wendy Marsden, CPA/PFS CFP® is also a member of:

- XY Planning Network. The leading organization of fee-only financial advisors who are focused on working with Generation X and Generation Y using cutting edge

technology to address the issues that matter to them.

- Financial Planning Association ® (FPA®) is the largest membership organization for CFP® professionals in the United States.
- AICPA, where the Personal Financial Planning (PFP) Section is the premier provider of information, tools, advocacy, and guidance for CPAs who specialize in providing estate, tax, retirement, risk management & investment planning advice.

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

Code of Ethics

ProsperiTea Planning has adopted a summary Code of Ethics, to which all Investment Advisor Representatives (IARs) and employees of Tea & Taxes Company are bound to adhere. It is modeled on the code of ethics promulgated by the National Association of Personal Financial Advisors as well as the Alliance of Comprehensive Planners; the Firm is a member of both.

Our Code of Ethics states:

- We are in a fiduciary relationship with clients, which means we will put each client's interests first, before our interests or any others, and disclose potential conflicts of interest to all clients and prospective clients.
- We will conscientiously complete all work agreed to in a prompt and timely manner.
- We will provide financial planning services solely as a fee-only advisor. We will act objectively in all matters with clients.
- We seek to avoid material conflicts of interest. Accordingly, neither ProsperiTea Planning nor its IARs, nor any employees receives any third party direct monetary compensation (i.e., commissions, 12b-1 fees, or other fees) from brokerage firms (custodians), mutual fund companies, insurance companies, or other providers of products. We do not sell any products. We act as a *trusted advisor* to our clients, and hence we work to maintain our independence and our ability to offer objective advice at all times.
- We strive to maintain and continually enhance our high degree of professional education regarding investments, and financial, tax, estate, and risk management planning.
- We will act with integrity and dignity when dealing with clients, prospects, team members, and others; and

- To the extent allowed by law, we will always hold confidential all information shared with us by potential, existing, and former clients.
- The employees of ProsperiTea Planning and its affiliated firm Tea & Taxes Company have committed to a Code of Ethics that is available for review by clients and prospective clients upon request. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

Participation or Interest in Client Transactions

Our Code of Ethics provides that individuals associated with our firm may buy or sell securities for their personal accounts identical or different than those recommended to clients. Indeed, it is highly likely that one or more of our firm's employees invest in the same mutual funds recommended to our clients.

No principal of ProsperiTea Planning participates in securities in which it has any material financial interest. ProsperiTea Planning and its related persons, as a matter of policy, do not recommend to clients or buy or sell for client accounts, securities in which the firm or its related persons have a material financial interest.

Personal Trading

At times the Advisors, her employees and other related parties to the Advisor may hold positions in securities that may also be recommended to clients. However, at no time will the Advisor or any related party receive preferential treatment over clients. The Advisor enforces the applicable rules of the Investment Advisers Act of 1940, including the prohibition against insider trading.

The Advisor maintains the required personal securities transaction records for all employees. The Advisor complies with all relevant laws and regulations and maintains high standards of personal professional conduct. As a Registered Investment Advisor, ProsperiTea Planning owes a fiduciary duty to its clients. That fiduciary duty requires the Advisor to place the interests of her clients ahead of her own interests.

A critical component of the fiduciary duty is to avoid potential conflicts of interest. Accordingly, the Advisor must avoid activities, interests, and relationships that might interfere, or appear to interfere, with giving advice in the best interests of clients. Potential conflicts of interest can arise in connection with personal trading and investment activities. Under no circumstances may any personal securities transactions be made on the basis of information that is not available to the general public. All employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.

Item 12 - Brokerage Practices

Selecting Brokerage Firms

ProsperiTea Planning is not a broker/dealer and does not hold custody of client assets. Instead, we have a relationship with two of the largest Custodians Pershing, LLC, via Shareholders Service Group (SSG) as the interface to Pershing, LLC, and TD Ameritrade Institutional, Division of TD Ameritrade, Inc. Both are members of FINRA/SIPC. Clients have their own logins with the custodian in the event that they wish to deal directly with them, but SSG and TD Ameritrade are both set up so that the Advisor can implement approved recommendations in their accounts on the Clients' behalf.

For clients who prefer to do their own trading, the Advisor may recommend the use of a retail brokerage firm (qualified custodians), primarily based on where the Client already has a relationship, but also in consideration of their personal preferences. Choices may include Vanguard, Fidelity, or some other firm that Client suggests. The client makes the final decision of which custodian to use, if any, and continues to manage their own investments with ProsperiTea Planning offering guidance and recommendations. When possible, the Client will authorize ProsperiTea Planning to be able to perform trades using a Limited Power of Trading Authority.

ProsperiTea Planning does not offer any ongoing oversight over client assets that are not under an Investment Advisory Agreement with the Firm.

We do not have any affiliation with product sales firms. We recommend custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates. However, as a participant in Shareholders Service Group and TD Ameritrade's institutional customer programs, we may receive benefits from our relationship with the Custodian. Benefits may include receipt of duplicate Client statements and confirmations; research-related products and tools; access to a trading desk serving Advisor participants; the ability to have advisory fees deducted directly from Client accounts; access to practice management tools; and access to tools to reduce the trading costs born by our Clients. The benefits received by the Advisor through participation in the program do not depend on the amount of brokerage transactions directed to the Custodian. As part of its fiduciary duties to clients, the Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of Custodian for custody and brokerage services.

Best Execution

We document the execution of trades after they are placed. Trading fees charged by Shareholders Service Group and TD Ameritrade are reviewed on an ongoing basis. We do not receive any portion of the trading fees.

Soft Dollars

We do not have any soft dollar arrangements with Broker-Dealers nor do we anticipate

any in the future.

Order Aggregation

Most trades are mutual funds or exchange-traded funds where trade aggregation does not garner any client benefit.

Item 13 - Review of Accounts

Periodic Reviews: Wendy Marsden, the Principal, is responsible for regularly reviewing and re-assessing financial recommendations made to you as part of an ongoing retainer relationship. We do not review the accounts of clients who are under an hourly or project consulting engagement unless it is part of a specific engagement to do so.

Review Triggers: Triggering factors include significant changes in your financial condition, changes in the fundamentals of the companies or entities issuing securities, price fluctuations and significant economic or industry developments.

Regular Reports: Investors will receive monthly and/or quarterly statements directly from the custodian holding their account (see Item 15.) Statements default to being delivered electronically, but that can be changed to be sent via mail depending on the Client's preference.

Item 14 -Client Referrals and Other Compensation

Incoming Referrals

ProsperiTea Planning is a fee-only investment advisory and financial planning firm and does not sell insurance or investment products, nor does it accept commissions as a result of any product recommendations. ProsperiTea Planning does not pay referral or finder's fees, nor does it accept such fees from other firms.

Wendy Marsden CPA PFS CFP® is a member of some professional organizations (listed above in Item 10) that provide resources to the public of accredited members. In each case, there is a requirement for competency and ethics to be listed on their site that is in excess of the requirements for the certifications she holds.

Referrals come from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

Referrals Out: We do not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

Other Compensation

ProsperiTea Planning's compensation is detailed in Item 5.

Item 15 - Custody

Account Statements

Our client's investments are held in the custody of a third-party custodian. ProsperiTea Planning has relationships with Pershing, LLC, and TD Ameritrade Institutional, but Client assets might also be held by custodians chosen by their retirement plans, or retail brokerage and mutual funds like Fidelity or Vanguard registered in the Client's name. The third-party custodians furnish clients with monthly account statements.

In some cases, ProsperiTea Planning may technically be deemed to have custody by virtue of having fees directly deducted from client advisory accounts, but it always remains in compliance with the safeguards referenced in Rule Chapter 515 § 11(8)(A).

Performance Reports

ProsperiTea Planning does not prepare performance reports. From time to time we offer clients an overview of all their assets using the software Blueleaf, but it is not meant to assert any performance returns of our investment strategies, but rather, your overall position changes including held-away assets when we can see them. We recommend that you carefully review statements provided to you by Custodians and consider those to be the most accurate. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 - Investment Discretion

Limited Power of Attorney

For Financial Planning engagements, including ProsperiTea Planning Open Retainer, Project Retainer and XY Tea limited retainer (as described in Item 5), the Advisor's role is to make investment and planning recommendations. To facilitate implementation of accepted recommendations, we will either ask the Client to use the Custodian with whom ProsperiTea Planning has a relationship (see Item 12), or ask some clients to execute a Limited Power of Attorney (also called a Limited Trading Authority) granting the Advisor trading authorization over certain accounts for this purpose. The Advisor will only execute trades in these accounts in accordance with the client's objectives and only with the prior approval of the client.

Discretionary Authority for Trading

For Investment Management engagements under the Tea T.I.M.E. model, ProsperiTea Planning may from time to time accept discretionary authority to manage securities accounts on your behalf. In this case, we would have the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. However, we would still try to consult with you prior to each trade to obtain concurrence unless the situation suggests you would prefer us not to.

In these arrangements you would approve the custodian we select, either Shareholders Service Group or TD Ameritrade Institutional, as a custodian in your Investment Advisory Agreement and in doing so, you approve the brokerage commission rates paid to the custodian. ProsperiTea Planning does not receive any portion of fees paid by you to the custodian on trades.

Discretionary trading authority facilitates placing trades in your accounts on your behalf so that we may promptly implement the investment policy that you have approved in writing. We would typically choose this level of service only in situations where it was not feasible to work with you more directly.

On occasion, a client may place a limitation on our discretionary authority. Some common examples of limited discretion include but are not limited to low basis securities in which a sale would result in unexpected taxation or if the client has a tie to a specific holding and desires to retain it for an undefined period.

Wendy Marsden CPA PFS CFP® carries a surety bond through January 1, 2022, and is qualified for discretionary trading authority, but in 2020 does not anticipate accepting any Investment Management engagements including discretionary trading authority. This option exists in case an existing client finds the need to delegate investment decisions more completely due to illness or travel. Item 17 - Voting Client Securities

Clients whose assets are managed by ProsperiTea Planning are expected to vote their own proxies which will be sent to them by Shareholders Service Group.

When assistance on voting proxies is requested, we will provide recommendations to you. If a conflict of interest exists, it will be disclosed to you.

Item 18 - Financial Information

Financial Condition

Registered investment advisors are required in this Item to provide you with certain financial information or disclosures about ProsperiTea Planning's financial condition. ProsperiTea Planning 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.

A balance sheet is not required to be provided because ProsperiTea Planning does not serve as a custodian for client funds or securities and does not require prepayment of fees of more than \$1,200 per client, and six months or more in advance.

Item 19 - Requirements for State Licensed Investment Advisors

ProsperiTea Planning requires that its employees who render financial planning advice to clients have a Bachelor's Degree, relevant financial planning or investment advisory experience, and be a Certified Financial Planner™ practitioner in good standing with the Certified Financial Planner Board of Standards. The disciplinary history of investment advisors and their representatives may be obtained by calling the Massachusetts Securities Division at (617) 727-3548.

At ProsperiTea Planning, the sole person qualified to give financial advice is Wendy S. C. Marsden, CPA/PFS CFP®

Education:

Certified Financial Planner™ required coursework through Kaplan University, Certification earned, 2012

Masters in Accounting, 1997, Isenberg School at University of Massachusetts, Amherst

Bachelor of Sciences, 1986, Mount Holyoke College, South Hadley, MA

Business background:

Owner/Principal Tea & Taxes Company, currently also doing business as ProsperiTea Planning, Greenfield, MA: September 2001 – present

Firm Principal, ProsperiTea Planning: a sole proprietorship in Greenfield, MA: January 2015 - December 2018 when it was merged into Tea & Taxes Company

Additional information about Wendy S.C. Marsden is available on the SEC's website at www.adviserinfo.sec.gov.

Professional Certifications:

CFP®: 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 the 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 the CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP[®] certification.

Personal Financial Specialist (PFS): This designation is issued by the American Institute of Certified Public Accountants (AICPA) and is granted to individuals who must meet all of the following prerequisites: a member of the AICPA; hold an unrevoked CPA certificate issued by a state authority; earn at least 100 points under the PFS point system; and have substantial business experience in personal financial planning related services. The candidate is required to obtain personal financial planning specific education in addition to holding a valid CPA. The candidate must take a final certification examination (proctored by the AICPA) and once issued the individual must undergo Continuing Education in the form of 60 PFS points in personal financial planning experience as well as qualified 'life-long learning' activities every three years.

Professional Licenses: CPA

A Certified Public Accountant is licensed by the Commonwealth of Massachusetts Division of Professional Licensure after rigorous education, work experience and testing requirements are met.

To retain the license, an individual must receive 80 hours of mandatory CPE every two years, four hours of which must be in an approved course of professional ethics.

Professional Membership: NAPFA

To be a NAPFA-Registered Financial Advisor NAPFA-Registered Financial Advisors are broadly trained to bring together and apply the separate disciplines comprising personal finance—income tax, financial position and cash flow, retirement preparation, estate planning, investments, and risk management. NAPFA-Registered Financial Advisors and their associated firms help clients by offering a full range of coordinated advice on issues surrounding a client's personal financial situation—not limiting their advice to marketable financial assets alone.

Education - Bachelor's degree, in any discipline from an accredited institution.

Specialized Education Requirement - The applicant is required to have a CFP® certification (see above)

Peer Review - This top level of membership requires a broad-based advanced education in financial planning and three years of comprehensive planning experience. Applicants for NAPFA-Registered Financial Advisor status must demonstrate the ability to take a comprehensive approach to financial planning by either submitting a sample comprehensive financial plan or participating in a peer review dialogue with a third party Plan/Peer Reviewer.

Continuing Education Requirement is two-fold @ 60 hours total:

- Thirty-two (32) core hours must be received from approved sources pertaining to the

following core areas: Insurance & Risk Management, Investments, Income Tax Planning, Retirement Planning & Employee Benefits, Estate Planning, and Communications; and a minimum of 2 hours in Ethics of Financial Planning.

- The 28 additional hours may be earned in either seven elective or five core areas.

Experience - An individual must have had at least 36 months of experience being primarily engaged in the provision of comprehensive financial planning services, which experience must have been attained within the past 60 months and must include the most recent 12 months.

NAPFA's definition of a Fee-Only Financial Planner — NAPFA defines a **Fee-Only financial advisor as one who is compensated solely by the client** with neither the advisor nor any related party receiving compensation that is contingent on the purchase or sale of a financial product. Neither Members nor Affiliates may receive commissions, rebates, awards, finder's fees, bonuses or other forms of compensation from others as a result of a client's implementation of the individual's planning recommendations. "Fee-offset" arrangements, 12b-1 fees, insurance rebates or renewals and wrap fee arrangements that are transaction-based are examples of compensation arrangements that do not meet the NAPFA definition of Fee-Only practice.

Prohibition of certain ownership interests and employment relationships—Neither a member nor an affiliate may own more than a 2% interest in, or be employed by, a financial services industry firm that receives transaction-based compensation. A related party to a member or an affiliate may not own more than a 2% interest in a financial services industry firm that receives transaction-based compensation as prohibited by NAPFA; and to whom the member or affiliate makes referrals or otherwise directs business.

Compliance with NAPFA standards and industry regulations - Members and Affiliates:

- Must abide by the NAPFA Code of Ethics, Standards of Membership and Affiliation, Bylaws, resolutions adopted by the Board and all rules set forth in the NAPFA Policies and Procedures Manual.
- Agree to comply with all federal and state statutes, rules, regulations, administrative and judicial rulings, and other authorities applicable to the provision of financial planning or advisory related services.
- Agree that they will make all appropriate filings, amendments, and renewals as appropriate to required filings with regulatory authorities. This shall include, but is not limited to, Form ADV. As a condition of NAPFA membership, any and all Form ADV filings may be reviewed by the Membership Task Force.
- Members and Affiliates have a continuing obligation to inform the NAPFA National Office, in a prompt manner and in writing, of significant disciplinary and legal

events. These events include, but are not limited to, the following:

- o any disciplinary inquiry or proceeding initiated by any federal, state or local civil or criminal authority or regulatory body, including any inquiry or proceeding relating to the firm with which the individual is associated;
- o any disciplinary inquiry or proceeding initiated by a credentialing or membership organization or authority to which the individual is subject, e.g., Certified Financial Planner Board of Standards, State Board of Public Accountancy;
- o any bankruptcy, receivership, or other types of assignment or arrangement for the benefit or protection of creditors of the individual or any entity in which the individual holds an interest of 5% or more.

Both the Alliance of Comprehensive Planners and the XY Planning Network are sub-groups of NAPFA members.

Item 20 – Succession & Continuity Planning

Continuity Plan

As part of normal business practices, Client data is held in such a way as that it can be recovered from the internet with only minor disruption.

Client data that might need to be shared in an emergency is stored on a Sharefile portal to which the Client also has access. Clients have their own logins and contact information for their investment custodians, as well.

If Wendy Marsden, CPA/PFS CFP® should become suddenly unable to provide services, the Alliance of Comprehensive Planners Business Continuity Plan would be referenced. It has a list of all Open Retainer Clients who would need to be contacted by a member of Wendy's family or her administrative support. Clients would be instructed on how to find an affiliated advisor in the Alliance of Comprehensive Planners or the National Association of Personal Financial Advisors, should the need arise. The ACP and NAPFA local communities would also be informed of the need.

The Investment Policy Statements created by ProsperiTea Planning are standardized in such a way that other Alliance of Comprehensive Planner members could identify which Clients might be a good fit, with an eye towards transferring the relationships as smoothly as possible.

Succession Plan

At this writing, there is no specific person identified and qualified to succeed Wendy Marsden, CPA/PFS CFP® at ProsperiTea Planning. However, her son Gary Marsden is

working as her para-planner and currently studying to become a Certified Financial Planner(TM), though he is not yet qualified. In the meantime, the Continuity Plan serves as the Succession Plan.

Both Gary Marsden and Wendy's administrative assistant Jennifer Chabott are familiar with the methods commonly used by members of the Alliance of Comprehensive Planner to transition a member's practice. Business practices include using standardized procedures and systems, such as the ACP Investment Policy Statement, that would facilitate bringing in a successor when the time comes if no qualified successor is yet available.

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

Wendy S.C. Marsden
3 Grinnell St
Greenfield, Massachusetts 01301-3601
(413) 829-4832

Wendy@ProsperiTeaPlanning.com

This brochure supplement provides information about Wendy S.C. Marsden supplements the ProsperiTea Planning brochure. You should receive a copy of that brochure. Please contact ProsperiTea Planning if you did not receive the ProsperiTea Planning brochure or if you have any questions about the contents of this supplement.

February 5, 2020

Part 2B Item 2 – Educational Background and Business Experience

Wendy S. C. Marsden, CPA/PFS CFP® was born in Ann Arbor, Michigan in 1964. She moved first to Vermont in 1979 and then to Massachusetts in 1982 to attend Mount Holyoke College in South Hadley. In 1989 she married Ben Marsden and they have made Greenfield, Massachusetts their primary residence ever since. They have a second home on Peaks Island near Portland, Maine.

Credentials:

- E.A. (Enrolled to act as an agent before the I.R.S.) 1996, discontinued around 2004
- C.P.A. (Certified Public Accountant) 2000
- CFP ® (Certified Financial Planner™) 2013
- PFS (Personal Financial Specialist) 2019

Education:

Kaplan University: coursework required for the Certified Financial Planner credential, 2011 to 2013. (No new degree required because of existing master's degree and years of experience.)

Isenberg School of Business, University of Massachusetts Amherst: M.S. in Accounting, 1997. A member of the M.B.A. program, given the choice of degrees because of concentration in accounting.

Mount Holyoke College, B.S. in Astronomy and Physics with a concentration in computer science. Astronomy was a Five College program that involved taking courses at four different campuses.

Honors:

Passed Enrolled Agent Exam, Certified Public Accounting exam and Certified Financial Planner exam each on her first try.

Wall Street Journal Award, 1997: awarded each year by Dow Jones & Company to the person graduating with the Masters in Accounting degree with the highest grade point average.

Business Experience:

Tea & Taxes Company, Firm Principal, 2013 to present

ProsperiTea Planning, Sole Proprietor, 2015 to 2018 (when merged into Tea & Taxes Company)

Tea & Taxes, Sole proprietor, 2001 to 2012 (when incorporated)

Staff Accountant: Lincoln Hirst, Plumley & Associates, Pieciak & Company: 1997 to 2001

H & R Block: 1992 - 1993

Disciplinary Information: No disciplinary events have occurred

Other Business Activities:

Member Alliance of Comprehensive Planners (ACP), 2015 to present

Conference Presenter: ACP Conferences in Seattle (2016), San Antonio (2017), and San Diego (2019); NAPFA MA Chapter (2017)

Member XY Planning Network (XYPN), 2017 to present

Member National Association of Personal Financial Advisors (NAPFA), 2012 to present

Member Financial Planning Association (FPA), 2015 to present

Working member ACP Diversity & Inclusion Ad Hoc Committee, 2019 to present

Greenfield Redevelopment Authority, 2010 to 2018

Greenfield Sustainable Master Plan, 2013 to 2014

Additional Compensation: Tea & Taxes Company, an S Corporation, compensates Wendy in two ways: as an employee, and as a shareholder who receives profit-sharing distributions from seasonal tax preparation activities.

Supervision: Wendy is the Chief Compliance Officer, and as such, her duties include monitoring and ensuring compliance with all applicable State and Federal laws, rules, and regulations."

Arbitration Claims: There have been no arbitration claims

Self-Regulatory Organization or Administrative Proceeding: has not been subject to any Administrative proceedings by any Self-Regulatory Organization

Bankruptcy Petition: No bankruptcy petitions have been filed.