

Item 1 – Cover Page

**Financial Planning & Management Center, Inc.**  
(FPMC)

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

March 15, 2011

This Brochure provides information about the qualifications and business practices of [Financial Planning & Management Center, Inc. \(FPMC\)](#)

If you have any questions about the contents of this Brochure, please contact us at 410-461-2411 and/or [georgepaniculam@fpmc.com](mailto:georgepaniculam@fpmc.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.

[FPMC](#) is a registered investment adviser in the state of Maryland. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provides you with information about which you determine to hire or retain an Adviser.

Additional information about [FPMC](#) also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated March 15, 2011 is a new document prepared according to the SEC’s new requirements and rules. As such, this Document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

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

Currently, our Brochure may be requested by contacting George Paniculam, MBA, CFP®, President at 410-461-2411 or [georgepaniculam@fpmc.com](mailto:georgepaniculam@fpmc.com). Our Brochure is also available on our web site [www.fpmc.com](http://www.fpmc.com) also free of charge.

Additional information about FPMC is available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with FPMC who is registered with or is required to be registered as investment advisor representative FPMC.

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## Item 4 – Advisory Business

### DESCRIPTION OF SERVICES

FPMC provides various levels of comprehensive personal financial planning for a fixed fee, as well as various specialized analyses billed on a time and disbursements basis.

Comprehensive personal financial planning is provided to clients pursuant to a written agreement and fee schedule. In general, the client agrees to complete our questionnaire and provide other relevant information and authorizations. We agree to prepare a written plan, which describes the current situation, identifies needs and opportunities, and makes recommendations designed to help the client achieve his or her goals. Comprehensive personal financial planning is primarily an analytical process designed to help the client articulate and quantify goals, organize financial data, identify needs and opportunities, and evaluate alternative courses of action. It includes an analysis of current net worth, income taxes, cash flow, investments, employee benefits, estate tax and gift tax planning, and risk management.

Attention is directed toward restructuring existing assets to achieve planning objectives. For example, a plan might recommend that a particular security or securities be sold to realize a tax loss, provide diversification, or change from a growth-related investment to an income related investment. While comprehensive financial planning includes investment advice concerning securities, it also includes investment advice with respect to products that may not constitute "securities," such as certificates of deposit, life insurance, annuities, and real estate. It also takes into consideration tax and estate planning issues that may not constitute "investment advice".

#### **SPECIALIZED NEEDS ANALYSIS (A la Carte)**

In addition to comprehensive financial planning, we provide specialized services that focus on a client's particular needs.

#### **Risk Management**

- Analysis of life, health, disability, and liability insurance
- Estate liquidity and survivor income analysis

#### **Employee Benefits Consulting**

- Employee benefit plan analysis
- Employee or employer sponsored financial planning

- Retirement planning, for the best use of tax-qualified vs. non-tax qualified plans., i.e. 401k, 403b, IRA, Roth IRA, SEP IRA, Simple IRA, Pensions, Tax Deferred Fixed and Variable Annuities

### **Business Planning**

- Financial planning for closely held businesses
- Business valuation and continuation planning

### **Tax Planning**

- Income tax preparation and tax reduction strategies
- Family Limited Partnerships and Limited Liability

### **Estate Planning and Asset Protection**

- Use of Trusts, LLC's and, Family Limited Partnerships
- Use of Long Term Care and Joint Survivor Insurance Planning

## **Item 5 – Fees and Compensation**

### **FEES, REFUNDS AND TERMINATION**

The fee range for a comprehensive or modular plan is generally \$50 to \$1,000 for the first year of service. Upon client request, an hourly fee may be charged. Fees will be determined by the complexity of the client's financial situation and the work to be provided. There is no charge for the initial meeting. Fees will be quoted to the client prior to any services being rendered. If at any time the fee for services provided will exceed the original amount quoted, the client will be notified.

Clients are encouraged to have their financial plan reviewed and, if necessary, updated at least annually. If a client requests a review and update of a plan previously written by FPMC, a fee will be quoted. Fees for an annual update will be 75% of the first year's fee.

At the discretion of FPMC one-half the planning fee may be due upon acceptance of the client agreement with the remainder due upon presentation of the plan.

Clients are entitled to two FREE hours of consultation services. After the two hours have concluded clients may elect to continue services or choose another program offered by FPMC. Consultations are provided at an hourly rate of \$50 to \$100, based on

the complexity of the client's situation and the service to be provided. The amount of the fee will be disclosed to the client prior to further services being rendered. Fees for consultations are due after the service has been provided.

FPMC has a \$50 minimum fee for investment advice and a written plan.

Either party may terminate services at any time by providing written notice. If services are terminated within five business days of executing the client agreement, services will be terminated without penalty (no fees due and a full refund of any fees paid in advance). After the initial five business days the client will be responsible for payment of fees for time and effort expended by FPMC prior to the effective date of termination. Any prepaid fees will be refunded on a pro rated basis based upon the time and costs expended to the date of cancellation.

Clients wishing to implement the advice of applicant's associated persons are free to select any broker they wish and are so informed. If the clients wish to have the associated persons implement the advice in their capacity as registered representatives, their broker/dealer, Securities Service Network, Inc. (SSN), will be used. SSN has a wide range of approved securities products for which SAN performs due diligence in selection. The registered representatives are required to adhere to these products when implementing securities transactions through SNN. Commissions charged for these products may be higher or lower than commissions clients may be able to obtain if transactions were implemented through another broker/dealer. Securities Service Network, Inc. (SSN) is a non-affiliated full-service securities broker/dealer, member FINRA/ SIPC with a home office in Knoxville, TN.

#### **FEE BASED MANAGED ACCOUNTS**

FPMC provides investment management services, defined as giving continuous advice to a client based on the individual needs of the client, through Securities Service Network, Inc. (SSN), a non affiliated broker/dealer of FPMC. The brokerage transactions will then be cleared through National Financial Services, LLC (NFS) pursuant to a clearing arrangement established by SSN through NFS. The custody of all funds and securities will be maintained by NFS, insurance companies or other custodians. At no time will SSN or FPMC or its associated persons act as custodian of the Account or have direct access to the client's funds and/or securities.

FPMC's associated persons implement securities transactions for Fee Based Accounts in their capacity as registered representatives of SSN.

The annual management fees charged for this service will be negotiated with each client, with 1% being the maximum management fee that may be charged to clients.

FPMC may manage client's assets on a limited discretionary basis. When they do, they limit their discretionary authority by prohibiting themselves from withdrawing funds and/or securities from client accounts.

FPMC recommended minimum investment amount for establishing a fee based account is \$50,000. Exceptions may be granted to these minimums at FPMC's discretion.

FPMC's associated persons sell securities and insurance products, in their separate capacities as registered representatives and independent insurance agents, for sales commissions. They may also receive 12(b)-1 fees from some investment companies.

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

FPMC 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).

FPMC procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

## **Item 7 – Types of Clients**

Our services are provided primarily for individuals, pension and profit sharing plans, trusts, estates, or charitable organizations and corporations, and other business entities.

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

We use charting, fundamental and technical analysis to evaluate individual securities. The main sources of information are financial newspapers and magazines, inspections of corporate activities, research material prepared by others, corporate rating services, annual reports, prospectuses, filings with the SEC, and company press releases. The investment strategies used to implement advice is long term and short term. Selection of a strategy is based on the resources and objectives of each individual client.

Research from Morningstar, Standard & Poors and Investors Business Daily are used to service both commission based and fee based clients. The principles of Nobel price winning Modern Portfolio Theory is used in managing accounts.

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

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of FPMC its employees and the integrity of FPMC's management. FPMC and its employees are not involved in any legal or disciplinary events related to past or present activities and has no information to report regarding this Item.

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

The officers and staff of the organization are very active in a variety of professional associations. These organizations provide continuing education and an exchange of planning techniques. The following list, however, does not constitute an endorsement by those associations:

Financial Planning Association  
Society of Financial Service Professionals  
International Board of Standards & Practices for CFP®  
Better Business Bureau Care since 1980

When placing securities transactions through Securities Service Network, Inc. (SSN) In his capacity as a registered representative, Mr. Paniculam may earn sales commissions. In addition, when acting as an independent insurance agent, Mr. Paniculam will receive commissions for selling insurance products.

SSN has established an agreement with EverBank, an FDIC insured Savings Association, to allow SSN registered representatives that are also associated persons of FPMC to affiliate with EverBank. In this capacity Mr. Paniculam may refer clients to EverBank so that EverBank may provide the clients with banking and mortgage services. Mr. Paniculam will be compensated for such referrals. However, no client is obligated to use Mr. Paniculam to provide banking or mortgage services. SSN will be compensated by EverBank for these client referrals.

## **Item 11 – Code of Ethics**

Clients are told verbally and in the written contract that FPMC's associated persons will make a commission on securities and insurance transactions if clients choose to have the associated persons implement advice for commissions instead of fees. Investment advice may include positions in which the associated persons may have a position. However, associated persons are prohibited from engaging in transactions in which they would profit from providing investment advice to clients. FPMC is and shall continue to be in compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988. It is a policy of FPMC that no associated person shall prefer his or her own interest to that of the advisory client. No person employed by FPMC may purchase or sell any security prior to a transaction or transactions being implemented for an advisory account. Associated persons shall not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of his or her employment unless the information is also available to the investing public upon reasonable inquiry. FPMC maintains a list of all securities holdings for itself and all associated persons, which is reviewed on a regular basis by a principal of the firm. This log is available for client review upon request.

FPMC has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at FPMC must acknowledge the terms of the Code of Ethics annually, or as amended.

FPMC's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting George Paniculam

## **Item 12 - Brokerage Practices**

Clients wishing to implement the advice of applicant's associated persons are free to select any broker they wish and are so informed. If the clients wish to have the associated persons implement the advice in their capacity as registered representatives, their broker/dealer, Securities Service Network, Inc. (SSN), will be used. SSN has a wide range of approved securities products for which SAN performs due diligence in selection. The registered representatives are required to adhere to these products when implementing securities transactions through SNN. Commissions charged for these products may be higher or lower than commissions clients may be able to obtain if transactions were implemented through another broker/dealer.

Securities Service Network, Inc. (SSN) is a non-affiliated full-service securities broker/dealer, member FINRA/ SIPC with a home office in Knoxville, TN.

### **Item 13 – Review of Accounts**

Fee-based managed accounts are reviewed on a quarterly basis and may be reviewed sooner at the request of the client. Reports are prepared in January, April, July and October for the previous quarter.

Financial planning clients are encouraged to have their financial plan reviewed on an annual basis. If additional services are required, clients may be required to sign a new agreement and pay additional fees.

Each advisor is responsible for the review of their client accounts.

Clients will receive statements at least quarterly from the investment company, broker/dealer or clearing firm where the account is maintained.

Clients participating in fee based accounts may receive quarterly, monthly or on-demand reports showing the investment performance of their Accounts from SSN or FPMC.

### **Item 14 – Client Referrals and Other Compensation**

FPMC and its affiliated persons are not allowed to receive any economic benefit such as sales awards or prizes from any one who is not a client to avoid conflict of interest.

FPMC and its affiliated persons are prohibited from compensating any one for referrals.

### **Item 15 – Custody**

FPMC does not have custody of client funds or securities.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. FPMC urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

FPMC may manage client’s assets on a limited discretionary basis. When they do, they limit their discretionary authority by prohibiting themselves from withdrawing funds and/or securities from client accounts.

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

FPMC does not perform proxy-voting services on behalf of clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. FPMC may provide advice to clients regarding the clients’ voting of proxies.

## **Item 18 – Financial Information**

FPMC has not attached a balance sheet for its most recent fiscal year because it does not have custody of client funds or securities , or require payment of \$500 in fees per client, six months or more in advance.

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

### Brochure supplement Part 2B of Form ADV regarding investment advisor representative.

**George Paniculam, MBA, CFP®**, President of Financial Planning & Management Center, Inc. a Registered Investment Advisor in the state of Maryland *Providing objective fee based financial planning and investment advice since 1984*

### **Financial Planning & Management Center, Inc. (FPMC)**

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Additional information about George Paniculam is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 20 – Education and Business Standards

Financial Planning & Management Center, Inc. requires that any employee whose function involves determining or giving investment advice to clients must be a graduate of a four year college and must:

1. Have at least three years' experience in insurance, investments, accounting, or financial planning;
2. Hold the Series 65 Investment Adviser Representative license or its equivalent;
3. Be an attorney, or hold or be pursuing one of the following designations: Certified Financial Planner™ (CFP®), Certified Public Accountant (CPA), Certified Financial Analyst (CFA) or Chartered Financial Consultant (ChFC®);
3. Subscribe to the Code of Ethics of the CFP® Board of Standards;
4. Be properly licensed for all advisory activities in which they are engaged.

## Item 21 – Professional Certifications

Employees have earned certifications and credentials that are required to be explained in further detail.

### **CERTIFIED FINANCIAL PLANNER™**

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.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

**Education** - Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

**Examination** - Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;

- Experience - Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and

Ethics - Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

Continuing Education - Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and

- Ethics - Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

## **Item 22 George P. Paniculam, Born 3/16/48**

### **EDUCATION**

Has the completed the following formal education:

**Bachelor of Technology**, University of Madras, India, 1972.

**Master of Education**, Coppin State College, Baltimore, MD, 1974.

**Master of Business Administration**, in Finance from U. of Baltimore, MD, 1978

**Certified Financial Planner™**, issued by Certified Financial Planner Board of Standards, Inc., 1992

### **BUSINESS EXPERIENCE AND ACTIVITIES**

Since 1978 business activity includes sales of insurance for commissions as an independent agent through various insurance companies. Mr. Paniculam is the owner of Executive Funding Corp., a licensed insurance agency in Maryland since 1985. Mr. Paniculam has been President and Investment Advisor Representative of FPMC since February 1984 and a Registered Representative with Securities America, Inc from March, 2000 to November 2006 and a Registered Representative with Securities Service Network, Inc. (SSN) since November, 2006. He has been an agent with

EverBank since July 2005. Mr. Paniculam spends the majority of his time on securities, insurance, and banking services.

#### **B. DISCIPLINARY INFORMATION**

There is no legal or disciplinary history to report on George Paniculam. A background check can be found on FINRA's Broker Check System, [www.finra.org/brokercheck](http://www.finra.org/brokercheck) and IAPD link [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov)

#### **C. OTHER BUSINESS ACTIVITIES**

George Paniculam spends 10% of his time in insurance sales, 30% of his time as a Registered Representative of Securities Service Network, 10% of his time in income tax preparation, 10% of his time in estate planning, 10% of his time in financial planning and 30% of his time in asset allocation, analyzing securities, reporting clients' investment performance and making changes to portfolios as needed.

When placing securities transactions through SSN in his capacity as a registered representative, Mr. Paniculam may earn sales commissions. In addition, when acting as an independent insurance agent, Mr. Paniculam will receive commissions for selling insurance products. There may be a conflict of interest when recommendations are commission-based vs. fee-based.

SSN has established an agreement with EverBank, an FDIC insured Savings Association, to allow SSN registered representatives that are also associated persons of FPMC to affiliate with EverBank. In this capacity Mr. Paniculam may refer clients to EverBank so that EverBank may provide the clients with banking and mortgage services. Mr. Paniculam will be compensated for such referrals. However, no client is obligated to use Mr. Paniculam to provide banking or mortgage services. SSN will be compensated by EverBank for these client referrals.

#### **D. ADDITIONAL COMPENSATION AND CONFLICTS OF INTEREST**

When providing fee-based assets under management, no-load funds are used. However, if the client wishes the advisor to purchase A shares at NAV (with no-load) advisor will receive an additional trail compensation of .25%.

Clients are told verbally and in the written contract that FPMC's associated persons will make a commission on securities and insurance transactions if clients choose to have the associated persons implement advice for commissions instead of fees. Investment advice may include positions in which the associated persons may have a position. However associated persons are prohibited from engaging in transactions in which they

would profit from providing investment advice to clients. FPMC is and shall continue to be in compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988. It is a policy of FPMC that no associated person shall prefer his or her own interest to that of the advisory client. No person employed by FPMC may purchase or sell any security prior to a transaction or transactions being implemented for an advisory account. Associated persons shall not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of his or her employment unless the information is also available to the investing public upon reasonable inquiry. FPMC maintains a list of all securities holdings for itself and all associated persons, which is reviewed on a regular basis by a principal of the firm. This log is available for client review upon request.

#### **E. SUPERVISION**

Client Investments are monitored quarterly and fee-based clients receive a quarterly report showing fund performance. In addition, clients are mailed a Morningstar Report with recommended changes to investments mix, fund selection based on clients' risk tolerance, goals, and fund performance. Reports are mailed quarterly following the months of March, June, September, and December by George Paniculam, MBA,CFP®.