

Brochure

Form ADV Part 2A

Item 1 - Cover Page

Van Der Noord Financial Advisors, Inc.

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This Brochure provides information about the qualifications and business practices of Van Der Noord Financial Advisors, Inc. If you have any questions about the contents of this Brochure, please contact us at (864) 801-1977 or rick@vandernoordfinancial.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state authority.

Van Der Noord Financial Advisors, Inc. is an investment advisory firm registered with the appropriate regulatory authority. Registration does not imply a certain level of skill or training. Additional information about Van Der Noord Financial Advisors, Inc. also is available on the SEC's website at www.AdviserInfo.sec.gov.

Item 2 - Material Changes

This Brochure is prepared in the revised format required beginning in 2011. Registered Investment Advisers are required to use this format to inform clients of the nature of advisory services provided, types of clients served, fees charged, potential conflicts of interest and other information. The Brochure requirements include the annual provision of a Summary of Material Changes (the "Summary") reflecting any material changes to our policies, practices, or conflicts of interest made since our last required "annual update" filing. In the event of any material changes, such Summary is provided to all clients within 120 days of our fiscal year-end. Our last annual update was filed on March 29, 2018. Of course, the complete Brochure is available to clients at any time upon request.

Material changes since the last update include:

- No material changes.

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Item 4 - Advisory Business

General Information

Van Der Noord Financial Advisors, Inc. ("VFA") was formed in 1997 and registered as an investment advisory firm in 2005. VFA provides financial advisory, portfolio management and retirement plan advisory services to its clients.

Richard Van Der Noord is the sole principal owner of VFA. Please see ***Brochure Supplement(s)***, Exhibit A, for more information on Mr. Van Der Noord and other individuals who formulate investment advice and have direct contact with clients, or have discretionary authority over client accounts.

As of December 31, 2018, VFA managed \$82,413,370 on a discretionary basis, and \$2,426,671 of assets on a non-discretionary basis. VFA does not participate in or offer any wrap programs.

SERVICES PROVIDED

Financial Advisory Services

One of the services offered by VFA is financial advisory services, described below. Financial advisory services include financial planning advice that addresses one or more areas of a client's financial situation, such as estate planning, risk management, budgeting and cash flow controls, retirement planning, education funding, and investment portfolio design. Depending on a client's particular situation, financial planning may include some or all of the following:

- Gathering factual information concerning the client's personal and financial situation;
- Assisting the client in establishing financial goals and objectives;
- Analyzing the client's present situation and anticipated future activities in light of the client's financial goals and objectives;
- Identifying problems foreseen in the accomplishment of these financial goals and objectives and offering alternative solutions to the problems;
- Making recommendations to help achieve retirement plan goals and objectives;
- Designing an investment portfolio to help meet the goals and objectives of the client;
- Providing estate and legacy planning;
- Assessing risk and reviewing basic health, life and disability insurance needs; or
- Reviewing goals and objectives and measuring progress toward these goals.

This service is typically provided with VFA's portfolio management services. However, clients may also receive financial advisory services on a stand-alone basis for an hourly or fixed, one-time fee. Clients are under no obligation to act upon any of the recommendations made by VFA under a financial advisory engagement and/or to engage the services of any recommended professional.

Portfolio Management

VFA's portfolio management services are provided in conjunction with financial advisory services. As described above, VFA meets with the client, gathers information, and performs research and analysis as necessary to develop the client's financial plan. The financial plan will be updated at least annually or when determined to be necessary or advisable by VFA based on updates to the client's financial or other circumstances.

To implement the client's financial plan, VFA will manage the client's investment portfolio on a discretionary basis. As a discretionary investment adviser, VFA will have the authority to supervise and direct the portfolio without prior consultation with the client.

Service Levels

VFA's financial advisory and portfolio management services are offered under Bronze, Silver, Gold and Platinum service levels.

Bronze Level

Clients at the Bronze level of service receive a one-time financial planning analysis. (No portfolio management services are provided in this arrangement.)

Silver Level

The Silver level of service includes a goals-based financial plan (includes Goals Module and Cash Flow Module), interim plan reviews when necessary, and ongoing portfolio management services.

Gold Level

In addition to the Silver services described above, clients at the Gold service level receive an annual audit of the financial plan. Additional financial advisory and concierge services include:

- Surviving Spouse Services
- Limited Consultation with Family Members

Platinum Level

Platinum services include ongoing portfolio management services and a comprehensive financial plan (includes Goals, Cash Flow, Risk Management and Legacy/Estate Planning Modules). Clients also receive a formal annual plan audit and interim reviews. Additional financial advisory and concierge services include:

- Surviving Spouse Services
- Limited Consultation with Family Members
- Document Storage
- Screening of Service Contractors and Home Healthcare Providers
- Access to Office Equipment
- Action Alerts

Retirement Plan Advisory Services

Establishing a sound fiduciary governance process is vital to good decision-making and to ensuring that prudent procedural steps are followed in making investment decisions. VFA will provide Retirement Plan consulting services to Plans and Plan Fiduciaries as described below. The particular services provided will be detailed in the consulting agreement. The appropriate Plan Fiduciary(ies) designated in the Plan documents (e.g., the Plan sponsor or named fiduciary) will (i) make the decision to retain our firm; (ii) agree to the scope of the services that we will provide; and (iii) make the ultimate decision as to accepting any of our recommendations. The Plan Fiduciaries are free to seek independent advice about the appropriateness of any recommended services for the Plan. Retirement Plan consulting services may be offered individually or as part of a comprehensive suite of services.

The Employee Retirement Income Security Act of 1974 ("ERISA") sets forth rules under which Plan Fiduciaries may retain investment advisers for various types of services with respect to Plan assets. For certain services, VFA will be considered a fiduciary under ERISA. For example, VFA will act as an ERISA §3(21) fiduciary when providing non-discretionary investment advice to the Plan Fiduciaries by recommending a suite of investments as choices among which Plan Participants may select. Also, to the extent that the Plan Fiduciaries retain VFA to act as an investment manager within the meaning of ERISA § 3(38), VFA will provide discretionary investment management services to the Plan. The latter service relieves Plan Sponsors of some of their fiduciary liability under ERISA by delegating the investment management services to a prudent expert.

With respect to any account for which VFA meets the definition of a fiduciary under Department Of Labor rules, VFA acknowledges that both VFA and its Related Persons are acting as fiduciaries. Additional disclosure may be found elsewhere in this Brochure or in the written agreement between VFA and the client.

Fiduciary Management Services

- *Discretionary Investment Selection Services:* VFA will monitor the investment options of the Plan and add or remove investment options for the Plan without prior consultation with the Plan Fiduciaries. VFA will have discretionary authority to make and implement all decisions regarding the investment options that are available to Plan Participants.
- *Investment Management via Model Portfolios:* VFA will provide discretionary management of Model Portfolios among which the participants may choose to invest as Plan options. Plan Participants will also have the option of investing only in options that do not include Model Portfolios (i.e., the Plan Participants may elect to invest in one or more of the mutual fund options made available in the Plan, and choose not to invest in the Model Portfolios at all).

Fiduciary Consulting Services

- *Plan Investment Policy Statement/Investment Documentation Process:* VFA will assist the Plan Fiduciary with the drafting, design, implementation, maintenance and review of an Investment Policy Statement or other investment documentation process.
- *Participant Investment Consultation and Financial Plan:* VFA will meet one-on-one with Plan Participants for investment consultations and/or to prepare a financial plan. Such services are provided at no cost to the Plan Participant; however, the services are provided under a separate written engagement between the Plan Participant and VFA.

Non-Fiduciary Services

- *Total Fee Cost Analysis:* VFA will assist the Plan Fiduciary with a Total Fee Cost Analysis.
- *Coordination of Service Providers:* VFA will coordinate with service providers to assist with providing a comprehensive, turn-key retirement plan platform (Recordkeeping, Custody and Administration).
- *Plan Design Review:* VFA will assist the Plan Fiduciary review the plan's design.
- *Local In-Person Installation:* VFA will assist with on-site plan implementation.
- *Participant Education:* VFA will provide education services to Plan Participants about the benefits of saving for retirement, general investment principles and the investment alternatives available under the Plan. Education presentations will not take into account the individual circumstances of each Plan Participant and individual recommendations will not be provided unless a Plan Participant separately engages VFA for such services. Plan Participants are responsible for implementing transactions in their own accounts.
- *Participant Enrollment:* VFA will assist with group enrollment meetings designed to increase retirement Plan participation among employees and investment and financial understanding by the employees.

Section 1031 “Like-Kind” Exchange Consulting

From time to time, VFA will advise clients on “like-kind” real estate exchanges, otherwise known as section 1031 exchanges. Under Section 1031 of the U.S. Internal Revenue Code, the exchange of certain types of property may defer the recognition of capital gains or losses due upon sale, and hence defer any capital gains taxes otherwise due. VFA works with the client to determine whether such an exchange may be beneficial, and if so, identifies appropriate exchange properties on the client’s behalf. Such services are only available to clients who meet the accredited investor eligibility requirements of Rule 205-3 under the Investment Advisers Act of 1940. The scope and fees for 1031 consulting services will be negotiated with each client at the time of engagement for the applicable project.

Item 5 - Fees and Compensation

General Fee Information

Fees paid to VFA are exclusive of all custodial and transaction costs paid to the client’s custodian, brokers or other third party consultants. Please see ***Item 12 – Brokerage Practices*** for additional information. Fees paid to VFA are also separate and distinct from the fees and expenses charged by mutual funds, ETFs (exchange traded funds) or other investment pools to their shareholders (generally including a management fee and fund expenses, as described in each fund’s prospectus or offering materials). The client should review all fees charged by funds, brokers, VFA and others to fully understand the total amount of fees paid by the client for investment and financial-related services.

Financial Advisory Services Fees

Ongoing financial advisory services are generally provided in conjunction with portfolio management. Fees applicable to these ongoing services are set forth in the table below in *Portfolio Management and Ongoing Financial Advisory Fees* and are assessed as a single blended fee.

In limited instances, at the Bronze service level, VFA will provide stand-alone financial advisory services to clients. For clients with \$500,000 in assets, VFA will conduct a one-time analysis of the client’s financial situation for a flat fee of \$1,000 which is payable upon delivery of the report or financial plan.

In other cases, clients may retain VFA for a one-time project more suited to an hourly rate. In such a circumstance, an hourly rate of \$250 is billed in fifteen minute increments. VFA will make a good faith estimate of the time needed to accomplish the agreed upon project and will notify the client if actual fee will exceed the estimate by more than 20% as measured in hours. Hourly fees are due upon conclusion of the project.

Portfolio Management and Ongoing Financial Advisory Fees

The annual fee schedule, based on a percentage of assets under management, is as follows:

Investable Assets	Financial Advisory Fee	Investment Management Fee	Total	Blended Fee Rate
First \$500,000	0.95%	0.35%	1.30%	1.30%
Next \$500,000	0.85%	0.35%	1.20%	1.25%
Next \$1million	0.75%	0.35%	1.10%	1.18%
Next \$1million	0.35%	0.35%	0.70%	1.02%
Next \$2million	0.15%	0.35%	0.50%	0.79%
Over \$5million	0.05%	0.35%	0.40%	0.60%

The minimum portfolio size is \$500,000. There is no minimum annual fee for any account. Fees are negotiable for assets over \$3,000,000.

Portfolio management and ongoing financial advisory fees are generally payable quarterly, in advance. If management begins after the start of a quarter, fees will be prorated accordingly. Clients may make additions or withdrawals to the portfolio at any time. Additional assets received into the portfolio after it is opened may be charged a pro rata fee based upon the number of days remaining in the quarter. Clients may withdraw assets upon notice to the VFA, subject to the usual and customary securities settlement procedures. No fee adjustments will be made for partial withdrawals within a billing period. With client authorization and unless other arrangements are made, fees are normally debited directly from client account(s).

Clients may elect to solely receive portfolio management services and forego financial advisory services. However, the blended fee will not be reduced by the limitation of the scope of VFA's services. The client may terminate the Financial Advisory and Investment Management Agreement ("Agreement") with VFA within 5 days without penalty. Thereafter, either VFA or the client may terminate their Agreement at any time, subject to any written notice requirements in the Agreement. In the event of termination, any paid but unearned asset-based fees will be promptly refunded to the client based on the number of days that the account was managed, and any fees due to VFA from the client will be invoiced or deducted from the client's account prior to termination.

Service Level Fees

As noted in Item 4 above, VFA's services are offered under Bronze, Silver, Gold and Platinum arrangements. Subject to certain asset minimums, clients may elect to receive additional "concierge" and other enhanced services coupled with VFA's standard financial advisory and investment management services. In addition to portfolio management and ongoing financial advisory asset-based fees, clients that select a Platinum or Gold arrangement will pay an initial and ongoing annual retainer fee.¹ The retainer fee is charged quarterly, in advance. Clients are provided a fee invoice which is payable upon receipt. Should the Agreement be terminated, the retainer fee will not be prorated for any remaining days in the quarter.

Silver Level - Clients engaging VFA at the Silver level will pay the *Portfolio Management and Ongoing Financial Advisory Fees* set forth in the table above. The minimum level of investable assets for this service level is \$500,000.

Gold Level - Clients engaging VFA at the Gold level will pay the *Portfolio Management and Ongoing Financial Advisory Fees* set forth in the table above. Clients will also be subject to an annual retainer fee of \$2,000. The minimum level of investable assets for this service level is \$750,000.

Platinum Level - Clients engaging VFA at the Platinum level will pay the *Portfolio Management and Ongoing Financial Advisory Fees* set forth in the table above. The initial retainer fee for this service is \$5,000, with an annual retainer of \$2,000 for subsequent years. The minimum level of investable assets for this service level is \$1,000,000.

Retirement Plan Advisory Services Fees

The annual fee schedule, based on a percentage of assets under management, is as follows:

<u>Account Assets</u>	<u>Annual Fee</u>
First \$500,000	0.65%
Next \$500,000	0.55%
Next \$2,000,000	0.45%
Over \$3,000,000	Negotiable

¹ The retainer fee is waived for clients with over \$3 million in billable assets.

Retirement plan advisory fees are generally payable quarterly, in advance. If management begins after the start of a quarter, fees will be prorated accordingly. Clients may make additions or withdrawals to the portfolio at any time. Additional assets received into the portfolio after it is opened may be charged a pro rata fee based upon the number of days remaining in the quarter. Clients may withdraw assets upon notice to the VFA, subject to the usual and customary securities settlement procedures. No fee adjustments will be made for partial withdrawals within a billing period. With client authorization and unless other arrangements are made, fees are normally debited directly from client account(s).

The client may terminate the Agreement with VFA within 5 days without penalty. Thereafter, either VFA or the client may terminate their Agreement at any time, subject to any written notice requirements in the Agreement. In the event of termination, any paid but unearned fees will be promptly refunded to the client based on the number of days that the account was managed, and any fees due to VFA from the client will be invoiced or deducted from the client's account prior to termination.

Section 1031 Exchange Consulting Fees

When VFA provides 1031 consulting services to clients, these services are generally separate from VFA's financial planning and portfolio management services. Fees for 1031 exchange consulting are negotiated at the time of the engagement for such services, and are normally a fixed fee based on the scope and complexity of the project.

Other Compensation

Richard Van Der Noord is licensed to sell insurance in South Carolina but does not sell insurance products. He retains an insurance license solely for advisory purposes. Any trailing insurance commissions earned from legacy transactions are donated to charity.

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

VFA does not have any performance-based fee arrangements. "Side-by-Side Management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management and at the same time manages other accounts for which fees are assessed on a performance fee basis. Because VFA has no performance-based fee accounts, it has no side-by-side management.

Item 7 - Types of Clients

VFA serves individuals, high net worth individuals and pension and profit-sharing plans. With some exceptions, the minimum portfolio value eligible for portfolio management services is \$500,000. The minimum portfolio value for Gold level service is \$750,000 and \$1 million for Platinum service. There is no minimum annual fee for any account. Under certain circumstances and in its sole discretion, VFA may negotiate such minimums.

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

Methods of Analysis

In accordance with the client's financial plan, VFA will primarily invest in ETFs that track various indices. Mutual funds, common and preferred stock, and individual bonds may also be utilized to a lesser extent. VFA may also recommend section 1031 property exchanges for clients qualified as accredited investors.

ETFs and mutual funds are generally evaluated and selected based on a variety of factors, including, as applicable and without limitation, past performance, fee structure, portfolio manager, fund sponsor, overall ratings for safety and returns, and other factors.

In making selections of individual stocks for client portfolios, VFA typically employs fundamental analysis. This involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

Fixed income investments may be used as a strategic investment, as an instrument to fulfill liquidity or income needs in a portfolio, or to add a component of capital preservation. VFA will generally evaluate and select individual bonds or bond funds based on a number of factors including, without limitation, rating, yield and duration.

Investment Strategies

VFA's strategic approach is to invest each portfolio in accordance with the financial plan that has been developed specifically for each client. This means that the following strategies may be used in varying combinations over time for a given client, depending upon the client's individual circumstances. Securities are typically purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

VFA typically recommends passive investment strategies for its clients. Passive investing involves building portfolios that are comprised of various distinct asset classes. These asset classes are weighted in a manner to achieve a desired relationship between correlation, risk and return.

Passive investment management is characterized by low portfolio expenses (i.e. the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

Clients' accounts will be generally be invested in one or more of five goals-based portfolios. Each portfolio is comprised of ETFs that are benchmarked to:

- a broad-based domestic equity index
- a broad-based foreign equity index
- U.S. government securities or other appropriate fixed income index

Portfolios may also have an allocation to cash or a money market fund.

Conservative: The Conservative portfolio seeks the highest return possible consistent with a risk-averse investor. It is best suited for highly conservative investors, including those nearing or in retirement or requiring withdrawals of some of their invested assets within a three-to-five-year time frame.

Balanced: The Balanced portfolio also seeks the highest return possible consistent with a risk-averse investor – but one who is willing to take on more risk than a Conservative investor (outlined above). It is best suited for conservative investors, including those nearing or in retirement or requiring withdrawals of some of their invested assets within a three-to-five-year time frame.

Moderate Growth: The Moderate Growth portfolio seeks to maximize returns consistent with a moderate/conservative investor. It is well suited for investors uncomfortable with an aggressive all equity strategy who nevertheless require a greater return to reach their specific investment goals.

Growth: The Growth portfolio seeks to maximize returns consistent with a moderate growth investor. The portfolio is appropriate for investors with longer time horizons who are willing to assume above-average short-term volatility in pursuit of long-term growth.

Aggressive Growth: The Aggressive Growth portfolio seeks to maximize returns consistent with a growth investor. It is suitable for long-term investors willing to accept greater (S&P 500-level) risk in pursuit of greater growth.

Risk of Loss

While VFA seeks to diversify clients' investment portfolios across various asset classes consistent with their financial plans in an effort to reduce risk of loss, all investment portfolios are subject to risks. Accordingly, there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money.

Below is a description of several of the principal risks that client investment portfolios face.

Management Risks. While VFA manages client investment portfolios based on VFA's experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that VFA allocates client assets to individual securities and/or asset classes that are adversely affected by unanticipated market movements, and the risk that VFA's specific investment choices could underperform their relevant indexes.

Risks of Investments in Mutual Funds, ETFs and Other Investment Pools. As described above, VFA may invest client portfolios in mutual funds, ETFs and other investment pools ("pooled investment funds"). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds' success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

ETF Tracking Risk: ETFs will not be able to replicate exactly the performance of the indices they track because the total return generated by the securities will be reduced by transaction costs incurred in adjusting the actual balance of the securities. In addition, the ETFs incur expenses not incurred by their applicable indices. Certain securities comprising the indices tracked by the ETFs may, from time to time, temporarily be unavailable, which may further impede the ETFs' ability to track their applicable indices.

Equity Market Risks. VFA will generally invest portions of client assets directly into equity investments or into pooled investment funds that invest in the stock market. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

Fixed Income Risks. VFA may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks

that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

Foreign Securities Risks. VFA may invest portions of client assets into pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

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 a client's evaluation of VFA or the integrity of VFA's management. VFA has no disciplinary events to report.

Item 10 - Other Financial Industry Activities and Affiliations

Richard Van Der Noord is a licensed insurance agent. Please see *Item 5* for more information.

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

Code of Ethics and Personal Trading

VFA has adopted a Code of Ethics ("the Code"), the full text of which is available to you upon request. VFA's Code has several goals. First, the Code is designed to assist VFA in complying with applicable laws and regulations governing its investment advisory business. Under the Investment Advisers Act of 1940, VFA owes fiduciary duties to its clients. Pursuant to these fiduciary duties, the Code requires persons associated with VFA (managers, officers and employees) to act with honesty, good faith and fair dealing in working with clients. In addition, the Code prohibits such associated persons from trading or otherwise acting on insider information.

Next, the Code sets forth guidelines for professional standards for VFA's associated persons. Under the Code's Professional Standards, VFA expects its associated persons to put the interests of its clients first, ahead of personal interests. In this regard, VFA associated persons are not to take inappropriate advantage of their positions in relation to VFA clients.

Third, the Code sets forth policies and procedures to monitor and review the personal trading activities of associated persons. From time to time VFA's associated persons may invest in the same securities recommended to clients. Under its Code, VFA has adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. The Code's personal trading policies include procedures for limitations on personal securities transactions of associated persons, reporting and review of such trading. These policies are designed to discourage and prohibit personal trading that would disadvantage clients. The Code also provides for disciplinary action as appropriate for violations.

Participation or Interest in Client Transactions

As outlined above, VFA has adopted procedures to protect client interests when its associated persons invest in the same securities as those selected for or recommended to clients. In the event of any identified potential trading conflicts of interest, VFA's goal is to place client interests first.

Consistent with the foregoing, VFA maintains policies regarding participation in initial public offerings ("IPOs") and private placements to comply with applicable laws and avoid conflicts with client transactions. If an associated person of VFA wishes to participate in an IPO or invest in a private placement, he or she must submit a pre-clearance request and obtain the approval of the Chief Compliance Officer.

Finally, if associated persons trade with client accounts (i.e., in a bundled or aggregated trade), and the trade is not filled in its entirety, the associated person's shares will be removed from the block, and the balance of shares will be allocated among client accounts in accordance with VFA's written policy.

Item 12 - Brokerage Practices

Best Execution and Benefits of Brokerage Selection

When given discretion to select the brokerage firm that will execute orders in client accounts, VFA seeks "best execution" for client trades, which is a combination of a number of factors, including, without limitation, quality of execution, services provided and commission rates. Therefore, VFA may use or recommend the use of brokers who do not charge the lowest available commission in the recognition of research and securities transaction services, or quality of execution. Research services received with transactions may include proprietary or third party research (or any combination), and may be used in servicing any or all of VFA's clients. Therefore, research services received may not be used for the account for which the particular transaction was effected.

VFA participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional, Division of TD Ameritrade Inc., member FINRA/SIPC ("TD Ameritrade"). TD Ameritrade offers its Program to independent investment advisers. The Program includes such services as custody of securities, trade execution, clearance and settlement of transactions. VFA receives some benefits from TD Ameritrade through its participation in the Program. VFA is independently owned and operated and is not affiliated with TD Ameritrade.

VFA recommends TD Ameritrade to clients for custody and brokerage services. While there is no direct link between VFA's participation in the Program and the investment advice it gives to its clients, through its participation in the Program VFA receives economic benefits that are typically not available to TD Ameritrade retail investors. These benefits generally include, without limitation, the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Program participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to VFA by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by VFA's related persons. These services are not soft dollar arrangements, but are part of the institutional platform offered by TD Ameritrade.

Some of the products and services made available by TD Ameritrade through the Program may benefit VFA but may not directly benefit its client accounts. These products or services may assist

VFA in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help VFA manage and further develop its business enterprise. The benefits received by VFA or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, VFA endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by VFA or its related persons in and of itself creates a potential conflict of interest and may indirectly influence VFA's choice of TD Ameritrade for custody and brokerage services.

Directed Brokerage

Clients may direct VFA to use a particular broker for custodial or transaction services on behalf of the client's portfolio. In directed brokerage arrangements, the client is responsible for negotiating the commission rates and other fees to be paid to the broker. Accordingly, a client who directs brokerage should consider whether such designation may result in certain costs or disadvantages to the client, either because the client may pay higher commissions or obtain less favorable execution, or the designation limits the investment options available to the client.

The arrangement that VFA has with TD Ameritrade is designed to maximize efficiency and to be cost effective. By directing brokerage arrangements, the client acknowledges that these economies of scale and levels of efficiency are generally compromised when alternative brokers are used. While every effort is made to treat clients fairly over time, the fact that a client chooses to use the brokerage and/or custodial services of these alternative service providers can in fact result in a certain degree of delay in executing trades for their account(s) and otherwise adversely affect management of their account(s).

By directing VFA to use a specific broker or dealer, clients who are subject to ERISA confirm and agree with VFA that they have the authority to make the direction, that there are no provisions in any client or plan document which are inconsistent with the direction, that the brokerage and other goods and services provided by the broker or dealer through the brokerage transactions are provided solely to and for the benefit of the client's plan, plan participants and their beneficiaries, that the amount paid for the brokerage and other services have been determined by the client and the plan to be reasonable, that any expenses paid by the broker on behalf of the plan are expenses that the plan would otherwise be obligated to pay, and that the specific broker or dealer is not a party in interest of the client or the plan as defined under applicable ERISA regulations.

Aggregated Trade Policy

VFA may enter trades as a block where possible and when advantageous to clients whose accounts have a need to buy or sell shares of the same security. This method permits the trading of aggregate blocks of securities composed of assets from multiple client accounts. It allows VFA to execute trades in a timely, equitable manner, and may reduce overall costs to clients.

VFA will only aggregate transactions when it believes that aggregation is consistent with its duty to seek best execution (which includes the duty to seek best price) for its clients, and is consistent with the terms of VFA's Investment Advisory Agreement with each client for which trades are

VFA typically directs trading in individual client accounts as and when trades are appropriate based on the client's Investment Plan, without regard to activity in other client accounts. However, from time to time, VFA may aggregate trades together for multiple client accounts, most often when these accounts are being directed to sell the same securities. If such an aggregated trade is not completely filled, VFA will allocate shares received (in an aggregated purchase) or sold (in an aggregated sale) across participating accounts on a pro rata or other fair basis; provided, however, that any participating accounts that are owned by VFA or its officers, directors, or employees will be excluded first.

Item 13 - Review of Accounts

Managed portfolios are reviewed at least quarterly, but may be reviewed more often if requested by the client, upon receipt of information material to the management of the portfolio, or at any time such review is deemed necessary or advisable by VFA. These factors generally include but are not limited to, the following: change in general client circumstances (marriage, divorce, retirement); or economic, political or market conditions. Richard Van Der Noord, VFA's President, and investment adviser representatives of the firm all review client accounts.

For those clients to whom VFA provides ongoing financial advisory services, reviews are conducted on an as needed or agreed upon basis. Clients receiving Platinum and Silver services will receive an annual audit of the progress of the financial plan. Such reviews are conducted by one of VFA's investment adviser representatives or principals.

Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmation of all trading activity, and year-end tax statements, such as 1099 forms. VFA will provide additional written reports as needed or requested by the client.

Item 14 - Client Referrals and Other Compensation

As noted above, VFA receives an economic benefit from TD Ameritrade in the form of support products and services it makes available to VFA and other independent investment advisors whose clients maintain accounts at TD Ameritrade. These products and services, how they benefit our firm, and the related conflicts of interest are described in ***(Item 12 - Brokerage Practices)***. The availability of TD Ameritrade's products and services to VFA is based solely on our participation in the program, and not on the provision of any particular investment advice. Neither TD Ameritrade nor any other party is paid to refer clients to VFA.

Item 15 - Custody

VFA does not have physical custody of any client funds and/or securities and does not take custody of client accounts at any time. Client funds and securities will be held with a bank, broker dealer, or other independent qualified custodian. However, by granting VFA written authorization to automatically deduct fees from client accounts, VFA is deemed to have limited custody. You will receive account statements from the independent, qualified custodian holding your funds at least quarterly. The account statement from your custodian will indicate the amount of advisory fees deducted from your account(s) each billing cycle. Clients should carefully review statements received from the custodian.

From time to time and in accordance with VFA's agreement with clients, VFA will provide additional reports. The account balances reflected on these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. At times there may be small differences due to the timing of dividend reporting, pending trades or other similar issues.

Item 16 - Investment Discretion

As described above under ***Item 4 - Advisory Business***, VFA manages portfolios on a discretionary basis. This means that after an Investment Plan is developed for the client's investment portfolio, VFA will execute that plan without specific consent from the client for each transaction. For discretionary accounts, a Limited Power of Attorney ("LPOA") is executed by the client, giving VFA the authority to carry out various activities in the account, generally including the following: trade execution; the ability to request checks on behalf of the client, and the withdrawal of advisory fees directly from the account. VFA then directs investment of the client's portfolio using its discretionary authority. The client may limit the terms of the LPOA to the extent consistent with the client's investment advisory

agreement with VFA and the requirements of the client's custodian. The discretionary relationship is further described in the agreement between VFA and the client.

Item 17 - Voting Client Securities

As a policy and in accordance with VFA's client agreement, VFA does not vote proxies related to securities held in client accounts. The custodian of the account will normally provide proxy materials directly to the client. Clients may contact VFA with questions relating to proxy procedures and proposals; however, VFA generally does not research particular proxy proposals.

Item 18 - Financial Information

VFA does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance, and therefore has no disclosure required for this item.

Item 19 - Requirements for State-Registered Advisers

Richard Van Der Noord is the principal executive officer and Management Person of VFA; his background information and details of any outside business activities are provided elsewhere in this Form ADV (please see Brochure Supplement).

Neither VFA nor any Supervised Person of VFA is compensated on a performance-fee basis. Neither the firm nor its Management Persons has any disciplinary history requiring disclosure, and neither VFA nor its Management Person has any relationship or arrangement with any issuer of securities.

No other disclosure is required under this item.

Exhibit A

Brochure Supplement

Form ADV Part 2B

Item 1 - Cover Page

Richard Van Der Noord, CFP®

CRD# 1678571

of

Van Der Noord Financial Advisors, Inc.

The Village at Thornblade
420 The Parkway, Suite G2
Greer, South Carolina

(864) 801-1977

www.vandernoordfinancial.com

February 12, 2019

This Brochure Supplement provides information about Richard (“Rick”) Van Der Noord, and supplements the Van Der Noord Financial Advisors, Inc. (“VFA”) Brochure. You should have received a copy of that Brochure. Please contact us at (864) 801-1977 if you did not receive VFA’s Brochure, or if you have any questions about the contents of this Supplement.

Additional information about Rick is available on the SEC’s website at www.AdviserInfo.sec.gov.

Item 2 - Educational Background and Business Experience

Richard Van Der Noord (year of birth 1964) founded VFA and serves as the firm’s President and Chief Compliance Officer. VFA was incorporated in 1997 and registered as investment advisory firm in 2005. From 2005 until 2014, Rick functioned as investment adviser representative of VFA and was also a registered representative of Triad Advisors, Inc. (2009 to 2014) and ProEquities, Inc. (1998 to 2009), each a FINRA member and broker-dealer firm. Beginning in 2014, Rick has operated exclusively as investment adviser representative of VFA without any broker-dealer affiliation.

With nearly three decades of experience in financial planning, Rick is a veteran financial planning professional. He is the author of a financial planning case study used by universities throughout the country and has been quoted in the Wall Street Journal and CBS MarketWatch. Rick has been retained as a keynote speaker by Fortune 500 firms such as AT&T and national charities, including the National Multiple Sclerosis Society

Rick received a BBA in Finance from the North Georgia Military College. He is also Certified Financial Planner™ practitioner*.

* The CFP® certification is granted by Certified Financial Planner Board of Standards, Inc. (CFP Board). To attain the certification, the candidate must complete the required educational, examination, experience and ethics requirements set forth by CFP Board. Certain designations, such as the CPA, CFA and others may satisfy the education component, and allow a candidate to sit for the CFP® Certification Examination. A comprehensive examination tests the candidate's ability to apply financial planning knowledge to client situations. Qualifying work experience is also required for certification. Qualifying experience includes work in the area of the delivery of the personal financial planning process to clients, the direct support or supervision of others in the personal financial planning process, or teaching all, or any portion, of the personal financial planning process. CFP® professionals must complete 30 hours of continuing education accepted by the CFP Board every two years.

Item 3 - Disciplinary Information

Advisers are required to disclose any material facts regarding certain legal or disciplinary events that would be material to your evaluation of an adviser; however, Rick has no such disciplinary information to report.

Item 4 - Other Business Activities

Rick is licensed to sell insurance in South Carolina but does not sell insurance products. He retains an insurance license solely for advisory purposes. Any trailing insurance commissions earned from legacy transactions are donated to charity.

Item 5 - Additional Compensation

Other than as stated above, Rick is not engaged in any other investment-related business or occupation, and does not earn compensation for the sale of any other products or services.

Item 6 - Supervision

As the sole owner of VFA, Rick supervises all duties and activities of the firm, and is responsible for all advice provided to clients. His contact information is on the cover page of this disclosure document.

Item 7 - State Requirements for State-Registered Advisers

In addition to Item 3 above, state-registered advisers are required to disclose all material facts regarding any event in which a supervised person of the firm was found liable in certain legal proceedings, or was the subject of a bankruptcy petition. Rick has no event to disclose with respect to this item.

Brochure Supplement

Form ADV Part 2B

Item 1 - Cover Page

David Thomas Gerdt, CFP®

CRD# 5927975

of

Van Der Noord Financial Advisors, Inc.

The Village at Thornblade
420 The Parkway, Suite G2
Greer, South Carolina

(864) 801-1977

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February 12, 2019

This Brochure Supplement provides information about David T. Gerdt, and supplements the Van Der Noord Financial Advisors, Inc. ("VFA") Brochure. You should have received a copy of that Brochure. Please contact us at (864) 801-1977 if you did not receive VFA's Brochure, or if you have any questions about the contents of this Supplement.

Additional information about David is available on the SEC's website at www.AdviserInfo.sec.gov.

Item 2 - Educational Background and Business Experience

David T. Gerdt (year of birth 1982) joined VFA in 2011 and has served as an Advisor since 2013. Prior to that, David was a Paraplanner and provided advisory support services to the firm.

David received a BS in Computer Science from Bob Jones University in Greenville, South Carolina. David is also Certified Financial Planner™ practitioner*.

* The CFP® certification is granted by Certified Financial Planner Board of Standards, Inc. (CFP Board). To attain the certification, the candidate must complete the required educational, examination, experience and ethics requirements set forth by CFP Board. Certain designations, such as the CPA, CFA and others may satisfy the education component, and allow a candidate to sit for the CFP® Certification Examination. A comprehensive examination tests the candidate's ability to apply financial planning knowledge to client situations. Qualifying work experience is also required for certification. Qualifying experience includes work in the area of the delivery of the personal financial planning process to clients, the direct support or supervision of others in the personal financial planning process, or teaching all, or any portion, of the personal financial

planning process. CFP® professionals must complete 30 hours of continuing education accepted by the CFP Board every two years.

Item 3 - Disciplinary Information

Advisers are required to disclose any material facts regarding certain legal or disciplinary events that would be material to your evaluation of an adviser; however, David has no such disciplinary information to report.

Item 4 - Other Business Activities

David does not currently conduct any advisory or other business activities.

Item 5 - Additional Compensation

As stated above, David is not engaged in any other investment-related business or occupation, and does not earn compensation for the sale of any other products or services.

Item 6 - Supervision

Richard Van Der Noord, President of VFA, is responsible for providing compliance oversight for David and for reviewing accounts. Rick can be reached at (864) 801-1977.

Item 7 - State Requirements for State-Registered Advisers

In addition to Item 3 above, state-registered advisers are required to disclose all material facts regarding any event in which a supervised person of the firm was found liable in certain legal proceedings, or was the subject of a bankruptcy petition. David has no event to disclose with respect to this item.