



**Theodore Jay Feight**  
**Certified Financial Planner™**  
**D/B/A Creative Financial Design**  
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**A Fee-Only Investment Advisory Firm**  
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**Offices In:**

<b>Portage</b>	<b>Lansing</b>	<b>Southfield</b>
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This Brochure provides information about the qualifications and business practices of Theodore Jay Feight (D/B/A Creative Financial Design).

If you have any questions about the contents of this Brochure, please contact us at Toll Free (877) 566-9301 and/or ted-feight@creativefinancialdesign.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.

Theodore Jay Feight (D/B/A Creative Financial Design) is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional SEC disclosures information about Theodore Jay Feight (D/B/A Creative Financial Design) can be found in Part 1 of Form ADV, which can be located on the internet through <http://www.adviserinfo.sec.gov> . You can search this site by a unique identifying number, known as a CRD number. The CRD number for Theodore J. Feight (D/B/A Creative Financial Design) is 118906.

Additional information about Creative Financial Design and our advisory team members can be found on the Internet at our web site, <http://www.creativefinancialdesign.com> .

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Thank you.

*Theodore J. Feight, CFP®*

Owner  
Creative Financial Design



## Item 2 – Material Changes

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 13, 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, December 31<sup>st</sup>. 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 Theodore J. Feight, CFP® toll free at (877) 566-9301 and/or by email at [ted-feight@creativefinancialdesign.com](mailto:ted-feight@creativefinancialdesign.com) . Our Brochure is also available on our web site <http://www.creativefinancialdesign.com> free of charge.

Additional information about Theodore Jay Feight (D/B/A Creative Financial Design) is also available via the SEC’s web site at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) .

The SEC’s web site also provides information about any persons affiliated with Creative Financial Design who are registered, or are required to be registered, as investment adviser representatives of Creative Financial Design.



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## Advisory Business

Having made application with the commission for registration as an investment adviser pursuant to Section 203 of the Investment Advisors Act of 1940 and the Commission having found that the Application satisfied the requirements of such section; The United States of America, before the Securities and Exchange Commission, on June 4, 1984, granted registration in pursuant to section 203 of The Investment Advisors Act of 1940 to Theodore Jay Feight (D/B/A Creative Financial Design) hereinafter referred to as Creative Financial Design (CRD Number 118906). Theodore Jay Feight (D/B/A Creative Financial Design) is today, due to regulatory changes, an investment advisor registered with the State of Michigan under the Investment Advisors Act of 1940.

Theodore J. Feight, CFP® is the sole owner of Creative Financial Design.

**Creative Financial Design is a Fee-Only PERSONAL financial planning and investment management firm.** Although Creative Financial Design may give advice to individuals having to do with their business or place of employment, it does not give advice to companies. Creative Financial Design will from time to time on limited bases work with a non-profit company, but will not charge a fee for services it provides to those companies.

Creative Financial Design has been in business long enough to have seen many of its client's plans go from the beginning stages (young and just starting out), to the accumulation stages (working years), to the withdrawal stages (college and retirement years) and to the disposition stages (death and passing assets on to client's heirs). Currently 50% of Creative Financial Design's clients are either retired or about to retire. This percentage has been much higher in the past. We have had a lot of clients who have died over the past 10 years. Currently 12% of our clients have been with us for over 30 years, 26% have been with us for between 20 and 30 years, 22% have been with us for 10 to 20 years and 40% have been with us from 1 to 10 years.

## Financial Planning

Creative Financial Design's Certified Financial Planners™ typically begins the relationship by creating a financial plan. That plan can come in one of three forms:

**The recommended plan is our comprehensive plan, costing between \$1,500 and \$2,500, that includes:**

1. Client data gathering— a narrative or list of client information:
  - Name     Address     Employer     How long on job
  - Birth date(s)     Marital status     Date of marriage     Children
  - Bankruptcy?     Law suits?     Citizenship     Anything else pertinent
2. Written client goals and objectives.
3. Assumptions used in the plan include:
  - Inflation rates (2 - 5%)     Mortality (90ish)     Rates of return (net of fees) (4-9%)
  - College inflation (4-8%)     Medical inflation (2x inflation)
  - Social security inflation (1/2 inflation)
  - Salary increases (inflation)  Emergency fund     College years per child
  - Residence growth rate     Retirement distribution rate



- 4. A net worth statement – one page list of assets and liabilities by account, by owner, by tax deferred vs. taxable.
- 5. Recommendations, observations, and findings made with respect to assets and liabilities on the balance sheet.
- 6. A detailed current cash flow for the client. Income sources broken out by person and indicate whether earned, unearned, or other. Expenses include fixed, discretionary, taxes and savings.
- 7. Recommendations, observations, and findings made with respect to current cash flow.
- 8. Last three year’s actual tax worksheet and projections for current year and future years as applicable. Projections include AMT calculations.
- 9. Recommendations, observations, and findings made with respect to income taxes.
- 10. Detailed analysis of insurance coverage for the client.

**Life**

- Named insured
- Owned by
- Company
- Beneficiary
- Contingent beneficiary
- Policy type
- Death benefit
- Premium
- Face value
- Cash value
- Loan balance

**Medical**

- Named insured
- Company
- Plan type
- Deductible
- Premium
- Personal or group
- Co-pay
- Who is covered?

**Disability**

- Named insured
- Company
- Personal or group
- Pre-tax or after tax
- Monthly benefit
- Definition of disability
- Cost of living adjustment
- Elimination period
- Benefit period
- Riders

**Long-term Care**

- Named insured
- Company
- Benefit period
- Benefit amount
- Elimination period
- Home health vs. nursing home
- COLA

**Property and Casualty Insurance**

- Homeowner’s declaration page
- Automobile declaration page
- Umbrella declaration page
- Others as needed

- 11. Recommendations, observations, and findings made with respect to all areas of insurance pertinent to the client’s situation.
- 12. A detailed list of the client’s investment assets in taxable and tax-deferred accounts. Include account name, amount and cost basis for taxable investments (if available).
- 13. Recommendations, observations, and findings made with respect to all areas of investment pertinent to the client’s situation.
- 14. Retirement/financial independence projection(s) for up to thirteen scenarios as required.
- 15. Recommendations, observations, and findings made with respect to retirement/financial independence.
- 16. A detailed description of the current estate plan.



- 17. Recommendations, observations, and findings made with respect to estate planning.
  - Will
  - Living will
  - Health care proxy
  - Power of attorney
  - Titling and beneficiary for all accounts
- 18. Planner concerns regarding items not recognized by client.
- 19. Any other goals and objectives raised by the client with recommendations as necessary.
- 20. An implementation checklist or plan. We believe clients are best served by an action plan.

**The secondary plan is an inexpensive computer plan that covers the following: (cost \$500 to \$1,000)**

- 1. Client data gathering – a narrative or list with client information:
  - i. Name  Address  Employer  How long on job
  - ii. Birth date(s)  Marital status  Date of marriage  Children
  - iii. Bankruptcy?  Law suits?  Citizenship  Anything else pertinent
- 2. Written client goals and objectives.
- 3. Assumptions used in the plan include:
  - Inflation rates (2 - 5%)  Mortality (90ish)  Rates of return (net of fees) (4-9%)
  - College inflation (4-8%)  Medical inflation (2x inflation)
  - Social security inflation (1/2 inflation)
  - Salary increases (inflation)  Emergency fund  College years per child
  - Residence growth rate  Retirement distribution rate
- 4. A net worth statement – one page list of assets and liabilities by account.
- 5. Recommendations, observations, and findings made with respect to assets and liabilities on the balance sheet.
- 6. Computer analysis a client’s life insurance, disability insurance and long term care needs.
- 7. A list of the client’s investment assets in taxable and tax-deferred accounts
- 8. Retirement/financial independence projection(s) for showing how long your retirement should or should not last..
- 9. Recommendations, observations, and findings made with respect to retirement/financial independence.
- 10. Planner concerns regarding items not recognized by client.
- 11. Other goals and objectives raised by the client with recommendations.



The third plan is simply helping a client on an hourly basis with one or two areas in any of the other plans that the client might feel they need help with. (cost \$175.00 per hour)

Fees for plans are due 50% when the plan is started and 50% upon completion of the work. A late fee of 1% per month will be added to all overdue fees.

### Investment Management

Creative Financial Design provides investment management for client’s portfolios that may be comprised of multiple accounts including joint, trust, IRA, 401(k), 403(b)(7) or other types of accounts. The firm does not take discretion, but rather talks with clients about what we both think should take place. All accounts will have preset, previously discussed triggers that will sell off investments under different scenarios.

Portfolios are managed within the context of the client’s financial plan and are customized to each client’s unique circumstances. Each client’s risk tolerance and objectives will be different and in such no to client’s portfolios will be or perform a like.

Creative Financial Design uses a tactical asset allocation approach which it has used for over 20 years. Investments are typically made in stocks, bonds, ETF’s, and when necessary no-load mutual funds. Clients may impose restrictions on investing in certain securities or types of securities.

On December 21, 2010, Creative Financial Design managed 548 accounts, with \$14,264,354.51, for 68 clients.

### Fees and Compensation

#### Investment Assets or Assets Managed (AUM)

Creative Financial Design’s fee structure for investment management or Assets Under Management by Creative Financial Design (AUM), is based on a percentage of assets actually under Theodore J. Feight, CFP®'s, direction. This fee shall be according to the following schedule:

Theodore J. Feight, CFP®'s Minimum Fee For AUM		\$3,500.00
\$0 to \$999,999		1.0% of Asset Market Value
\$1,000,000 to \$1,999,999		0.6% of Asset Market Value
\$2,000,000 to \$4,999,999		0.5% of Asset Market Value
Over \$5,000,000		Negotiable

Asset Market Value, of Assets Under Management (AUM), shall be calculated annually at the end of each year, on December 31. All Assets Under Management (AUM) fees are paid in arrears. Fees shall be billed semi-annually at the applicable percentage rate times the calculated Asset Market Value, divided by two, starting on January 1 of the following year.



The minimum semi-annual fee is \$1,750.00. One half of the annual fee is charged each calendar half based on the client’s investment portfolio balance on December 31<sup>st</sup> of the previous year. **Based upon this formula if the client’s investments go up in value, Creative Financial Design makes more money. If the client’s assets go down in value, Creative Financial Design makes less money.**

Some clients, due to earlier fee schedules, or extenuating circumstances pay a fee different from the fees specified above. **Fees for all services are negotiable.**

There are no additional fees for financial planning services for clients who are assets under management clients (AUM).

At Creative Financial Design’s discretion, it may allow accounts of members of the same household to be aggregated for purposes of reaching account minimums or to realize a lower percentage charge on assets under management.

Clients typically authorize payment of fees from their brokerage accounts. Every six months Creative Financial Design will provide the client with the fee calculation along with their semi-annual report and fees are deducted seven to ten days thereafter. In the event that fees may not be deducted the client will receive a bill for the fee which is due within 30 days. Late charges of 1% per month will be added to overdue fees.

In addition to the investment management fee, client portfolios may be subject to transaction fees, custodial fees, ETF fees, mutual fund expenses or other incidental charges. Creative Financial Design does not receive any part of these fees. See Brokerage Practices for more details.

Creative Financial Design or the client may terminate the management agreement within five days of the date of acceptance without penalty to the client. After the five day period, either party, upon five days’ written notice to the other, may terminate the management agreement. Refunds are not applicable since fees are payable in arrears. Payment will be due and payable immediately from the client for any pro-rata portion of the period in which the agreement is terminated.

**Alternative Fee Schedule**

If desired by the Client, fees for a specific financial plan shall be determined by Theodore J. Feight, CFP®, based upon his preliminary assessment of the complexity of the Client's financial circumstances and the type of plan the client is requesting. This initial fee shall be disclosed and discussed in advance with the Client and will be stated in the Agreement in Section 5 (a).

Fees for all other financial planning/investment advisor services will be based on the following hourly rates.

Person Responsible	Document Modifications	Data Gathering	Data Analysis	Planning	Presentation
Clerical	\$ 35.00	\$ 35.00	N/A	N/A	N/A
Paraplanner	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	N/A
CFP®	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00
Online CFP®	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00

Creative Financial Design and its advisors do not receive any commissions or other compensation from any other financial services firms. Our only compensation is from our clients. We are a Fee-Only firm which we feel significantly eliminates many conflicts of interest between advisors and clients.



## Performance Based Fees

Creative Financial Design does not charge fees based on performance.

## Types of Clients

**Creative Financial Design is a Fee-Only personal financial planning and investment management firm.** Although Creative Financial Design may give advice to individuals having to do with their business or place of employment, it does not give advice to companies.

Creative Financial Design has been in business long enough to have seen many of its client's plans go from the beginning stages (young and just starting out), to the accumulation stages (working years), to the withdrawal stages (college and retirement years) and to the disposition stages (death and passing assets on to client's heirs). Currently 50% of Creative Financial Design's clients are either retired or about to retire. This percentage has been much higher in the past; we have had a lot of clients who have died over the past 10 years. This has reduced our assets under management substantially. Currently 12% of our clients have been with us for over 30 years, 26% have been with us for between 20 and 30 years, 22% have been with us for 10 to 20 years and 40% have been with us from 1 to 10 years.

There are currently three typical types of clients who are asking for our help:

1. Clients between 50 and 60 years old and about to retire.
2. Clients retired and worried about going through another 2008.
3. Clients in their late 40s or early 50s and realize they have not prepared for retirement.

They come to us for help. Taking care of clients is our passion!

## Methods of Analysis, Investment Strategies and Risk of Loss

### Tactical Asset Allocation

Creative Financial Design's investment management strategy takes a tactical asset allocation approach. Studies have shown that asset allocation (the mix of different asset classes such as domestic stocks and bonds, international stocks and bonds, domestic and international real estate, commodities etc.) is the primary factor in investment returns.

Creative Financial Design incorporates Harry Markowitz' Nobel Prize winning work in Modern Portfolio Theory to create portfolios with better risk/return characteristics. Markowitz suggested that using investments whose returns are counter cyclical can produce better returns with lower risk. Unfortunately it's difficult to find asset classes that regularly maintain the counter cyclical returns so Creative Financial Design uses broad diversification among several asset classes to help reduce volatility.

Even then investment markets can show losses in many asset classes at once as occurred in late 2008 and early 2009. For that reason Creative Financial Design, when possible, only invests in investments that allow a stop loss order to be placed on it. That is an order that allows investments to be automatically sold if they drop in value, to a predetermined price.



Creative Financial Design uses key economic signals such as inverted yield curves; oil prices and war to tell it when to recommend tightening or loosening investment stop loss orders. Creative Financial Design does not consider itself to be a market timer, since this type of problem only occurs, on average, every 8 to 10 years. Past returns can not guarantee future returns.

Creative Financial Design has found that a person's bad feelings about losing money far out shadow their good feelings about making money.

Creative Financial Design will monitor changes in worldwide valuations of major asset classes to attempt to determine whether an asset class may produce better risk adjusted returns. Creative Financial Design may then overweight or underweight that asset class based on its outlook in hopes of achieving better investment returns.

In structuring the asset allocation of client portfolios Creative Financial Design examines many factors including the price/earnings ratios, estimated earnings per share, accumulated cash, insider trading and dividend yields of stocks, bond yields, economic trends in the United States and worldwide, the US dollar, the Presidential Cycle and more. We input these into our proprietary forecasting model to help derive our asset allocation recommendations.

The asset allocations are further defined by the client's investment time horizon. Clients that are drawing income, for instance, will have a portfolio structured with less volatility than a client that may not need to draw income for many years.

## **Security Selection**

Once the client's asset allocation is determined Creative Financial Design then seeks out the best investments available for each asset class. We'll typically use index ETFs (exchange-traded funds) that offer broad diversification. We feel that generally ETF indexes offer lower internal cost than most actively managed mutual funds and outperform the majority of those mutual funds. We'll use other security types as appropriate including individual stocks, bonds, mutual funds and others. Creative Financial Design attempts to only utilize investments that are readily marketable.

In managing a client's 401(k) or other retirement assets Creative Financial Design is generally limited to the investment choices available within the employer sponsored plan. In these cases we'll seek out the best options in the plan and attempt to balance these with other client accounts that may have more flexibility. In working with a client's assets we generally manage the portfolio as a whole rather than at the account level in order to minimize trading and tax costs.

The majority of assets managed by Creative Financial Design have a long term time horizon. We view inflation as a type of risk and attempt to grow our client portfolios in real, inflation adjusted terms. Our focus on longer term, real returns means that there will be some short term volatility. As a result short term losses are to be expected periodically in portfolios managed for the long term. And, of course, there is no guarantee that the strategies will prove successful even over the long term.

## **Tax Management**

Creative Financial Design's client portfolios may consist of multiple accounts with differing tax treatments of gains, interest, dividends and withdrawals. We attempt to minimize the long term impact of taxes by taking advantage of the various tax favored investments available to our clients. For instance moves may include taking or postponing tax losses or gains to achieve more favorable tax rates, to offset the sale of other property or the recommendation of a Roth conversion.



## Disciplinary Information

Creative Financial Design nor any of its advisors, past or present, have ever been involved in any events that resulted in disciplinary action from regulators, courts, or the Certified Financial Planner Board of Standards.

## Other Financial Industry Activities and Affiliations

None of the Creative Financial Design's advisors are registered with FINRA to receive commissions on investment product sales. Creative Financial Design's only revenue is directly from clients. See Fees and Compensation for more details. Creative Financial Design has arrangements with Schwab Institutional to service client accounts. Creative Financial Design is not affiliated with Schwab Institutional. See Brokerage Practices for more details.

## Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Creative Financial Design has adopted a written Code of Ethics in compliance with SEC rule 204A-1. The code sets forth standards of conduct and required compliance with federal securities laws. Our code also addresses personal trading and requires our personnel to report their personal securities holdings and transactions to the Chief Compliance Officer of the Creative Financial Design. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

It is further noted that Creative Financial Design is in and shall continue to be in total compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988. Specifically, Creative Financial Design has adopted a firm wide policy statement outlining insider trading compliance by Creative Financial Design and its associated persons and other employees. This statement has been distributed to all associated persons and other employees of Creative Financial Design and has been signed and dated by each such person. A copy of such firm wide policy is left with such person and the original is maintained in a master file. Further, Creative Financial Design has adopted a written supervisory procedures statement highlighting the steps which shall be taken to implement the firm wide policy. These materials are also distributed to all associated persons and other employees of Creative Financial Design, are signed, dated and filed with the insider trading compliance materials. There are provisions adopted for:

1. Restricting access to files.
2. Providing continuing education.
3. Restricting and/or monitoring trading on those securities of which Creative Financial Design's employees may have nonpublic information.
4. Requiring all of Creative Financial Design's employees to conduct their trading through Schwab Institutional or reporting all transactions promptly to Creative Financial Design not conducted through Schwab Institutional.
5. Monitoring the securities trading of Creative Financial Design and its employees and associated persons.

Creative Financial Design or individuals associated with Creative Financial Design may buy or sell securities identical to those recommended to customers for their personal account. It is the expressed policy of Creative Financial Design that no person employed by Creative Financial Design may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts. Creative Financial Design or any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.



As these situations may represent a conflict of interest, Creative Financial Design has established the following restrictions in order to ensure its fiduciary responsibilities.

1. An owner, officer or employee of Creative Financial Design shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No person of Creative Financial Design shall prefer his or her own interest to that of an advisory client.
2. Creative Financial Design maintains a list of all securities holdings for itself, and anyone associated with this advisory practice. Theodore J. Feight, CFP®, owner and Compliance Officer review these holdings on a regular basis.
3. Creative Financial Design requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.
4. Any individual not in observance of the above may be subject to termination.

## Brokerage Practices

### Recommended Firm

Creative Financial Design currently recommends that accounts be placed with discount broker Charles Schwab & Co., Inc., an independent and unaffiliated broker/dealer. Clients may utilize the broker/dealer of their choice and have no obligation to purchase or sell securities through such broker as Creative Financial Design recommends. However, due to the amount of assets Creative Financial Design has placed at Schwab, its clients enjoy a reduced transaction fee schedule. Creative Financial Design may also utilize other broker/dealers to execute certain transactions when such broker/dealers provide demonstrably superior research and/or strategies. Creative Financial Design has and will negotiate reduced commission schedules with any outside broker/dealer utilized for client trades.

Creative Financial Design suggests that clients use a Charles Schwab & Co., Inc. Institutional Account for Investment Advisory services and Investment Advisory Agreement between Creative Financial Design and client authorizes the use of Charles Schwab & Co., Inc.. Creative Financial Design receives ability to monitor accounts through Schwablink, to generate client reports and to access services like mutual fund information, stock information, ETF information, seminars, news, etc. Creative Financial Design's clients pay lower transaction fees than is customary in retail brokerage accounts - a benefit to client (Creative Financial Design receives no transaction fees or commissions). Research services provided to Creative Financial Design by Charles Schwab & Co., Inc. is used for all of Creative Financial Design's clients and may not be used in connection with any particular accounts which have paid transaction fees to Charles Schwab & Co., Inc. Client authorizes Creative Financial Design to direct Charles Schwab & Co., Inc.'s discretionary trading desk to execute trades. Client may pay brokerage fees the Charles Schwab & Co., Inc. through the Institutional Account in excess of those offered by other brokers or services, such as E-Trading.

Creative Financial Design may execute trades with brokers other than Charles Schwab & Co. Such decisions are generally motivated by factors such as broader security selection, lower costs, better execution and/or brokers ability to custody some qualified accounts.

Creative Financial Design participates in Charles Schwab & Co.'s Schwab Institutional Service program. While there is no direct linkage between the investment advice given and participation in the Schwab Institutional Service program, economic benefits are received which would not be received if Creative Financial Design did not give investment advice to clients. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving Schwab Institutional Service participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have



investment advisory fees deducted directly from client account; access, for a fee, to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors. Creative Financial Design has received discounts on software applications as a result of participating in the Schwab Institutional Service program. The benefits received through participation in the Schwab Institutional Service program do not depend upon the amount of transactions or assets in custody directed to Charles Schwab & Co., Inc. Such research products and services are provided to all investment advisers that utilize Schwab Institutional Service program, and are not considered to be paid for with soft dollars.

Creative Financial Design does not receive client referrals from any brokerage firms.

Schwab Institutional, and other service providers including mutual fund companies may pay for travel, lodging and meal expenses to educational and product conferences they sponsor for advisors of Creative Financial Design. While Creative Financial Design and its associated persons endeavor at all times to put the interest of the clients first as part of their fiduciary duty, clients should be aware that the receipt of additional benefits itself creates a potential conflict of interest.

Each year Creative Financial Design reviews the relationships it has with brokerage firms to ensure that clients are receiving good value, execution and service and it weighs the costs and benefits of moving accounts to other firms.

The current fee schedules for Creative Financial Design clients at Schwab Institutional are available upon request.

### **Client Directed Brokerage**

Some clients may instruct Creative Financial Design to use one or more particular brokers for the transactions in their accounts. Clients who may want to direct Creative Financial Design to use a particular broker should understand that this may prevent Creative Financial Design from effectively negotiating brokerage compensation on their behalf and from aggregating orders with other clients. This arrangement may also prevent Creative Financial Design from obtaining the most favorable net price and execution. Thus, when directing brokerage business, clients should consider whether the commission expenses and execution, clearance and settlement capabilities that they will obtain through their broker are adequately favorable in comparison to those that Creative Financial Design would otherwise obtain for its clients.

### **Trade Aggregation**

Most of the securities Creative Financial Design recommends are bonds, ETFs, mutual funds and stocks. Mutual funds trade at one price at the end of each day. Securities such as stocks, bonds, or ETFs may trade at different prices throughout the day. When Creative Financial Design is trading in these other securities it attempt to aggregate orders together so that our clients receive the same price and there is no potential favoritism among clients. It is typically not possible to conduct a single trade for all client positions. Stop loss orders are typically aggregated so that all clients holding a particular ETF or stock would trade at one price. When rebalancing and or opening new accounts Creative Financial Design generally will start with its biggest accounts and work down to its smallest accounts. This could favor one account over another.

### **Review of Accounts**

All client portfolios are subject to numerous regular reviews by the firm's Senior Financial Planner and Chief Investment Officer, Theodore J. Feight, CFP.



1. Accounts are reviewed two to four times a year to ensure that the client's asset allocation is appropriate.
2. Investment returns are reviewed two to four times a year to ensure that they are performing in line with expectations.
3. Over 80% of the assets the firm manages are held in core positions that are reviewed at least weekly. The remaining positions are monitored at least semi-annually.
4. Accounts are reviewed at least annually to optimize tax savings.
5. Additional reviews may be done periodically if there is a change in the economic outlook.

In addition to the monthly statements that clients receive from Charles Schwab & Co. or their other custodians, Creative Financial Design produces client reports three to six times a year for clients, depending on the size of the client's account and the client's desire to receive said reports. These reports are mailed or presented to the client in person. These reports include benchmark comparisons, current asset allocation, rates of return and year to date returns on each individual securities. During in person meetings client receive a two to three page report on problems, suggested changes, investment strategies and Creative Financial Design's economic outlook. Creative Financial Design's advisors typically will meet in person with clients to review these report between one and four times a year, depending on the size of the client's account and the clients desired number of meetings. Clients that are unable to meet in person may request a telephone or online meeting.

Creative Financial Design attempts to touch on all parts of a client's financial plan at least once every three years. Clients may request any financial planning services or additional meetings at any time, at no additional cost. Creative Financial Design has found that the client who asks for Creative Financial Design's advice on any matter having to do with finances gets the most out of their relationship with Creative Financial Design.

## **Client Referrals and Other Compensation**

Although Creative Financial Design greatly appreciates receiving referrals from clients, friends and business associates, Creative Financial Design does not compensate anyone for the referral of a new client.

## **Custody**

Creative Financial Design does not take custody of client assets. Instead, funds are held with Charles Schwab & Co. and clients will receive monthly statements and/or online access to their accounts from them. Clients should carefully review statements from Charles Schwab & Co. as well as their 401(k) or other plans and compare the figures with the reports provided by Creative Financial Design. Any discrepancies should be addressed with Creative Financial Design's staff immediately.

## **Investment Discretion**

Creative Financial Design provides investment advisory services to clients on a non-discretionary basis. Creative Financial Design discusses asset allocations, investment strategies and investment products with clients. Creative Financial Design then reviews client allocations, strategies and investment products in letters, newsletters, telephone calls and during clients reviews to make sure that the client agrees and is kept abreast of what is happening. Creative Financial Design then makes investment changes based on these communications.



## Voting Client Securities

Most securities in which Creative Financial Design will invest allow shareholders to vote on various issues typically at an annual shareholder meeting. Investors that cannot attend the meeting are offered the ability to vote by proxy. Creative Financial Design will not vote client securities but is available to answer questions from clients regarding ballot items. Clients will receive the proxy forms from the custodian of their assets.

## Financial Information

The SEC requires certain firms to provide financial information if they require pre-payment of fees more than six months in advance. As Creative Financial Design bills fees in arrears the firm is exempt from the requirement. Creative Financial Design does not receive compensation more than six months in advance.

## Requirement for State Registered Advisors

**No person** now or in the past, employed by Creative Financial Design has ever:

1. Had an award or otherwise been found liable in an arbitration claim alleging damages in excess of \$2,500.
2. Had an award or otherwise been found liable in a civil, self-regulatory organization, or administrative proceeding.
3. Been the subject of a bankruptcy petition.

## Additional Information

Creative Financial Design has determined that work leading to and resulting in the annual financial planning comprises 85% of the year's work.

Creative Financial Design's financial planning agreement points out to clients that accounting and legal work must be prepared by professionals in those areas.

Creative Financial Design's agreement for services contain an arbitration clause stating that controversy or claim arising out of or relating to the contract shall be settled by arbitration with the National Association of Securities Dealers, Inc. or the American Arbitration Association, as the Client may elect.

Creative Financial Design and clients agree on overall investment policies including asset allocation and types of investments. Creative Financial Design, in accordance with General Investment Policy discussed with and reviewed with said client, can make changes in investments as appropriate for client (for example, to setting stop loss orders, to improve diversification, to respond to changes within the economy, to improve tax position). Creative Financial Design can implement amounts invested in securities within guidelines of the client's prepared personal financial plan, but will always communicate changes to clients in some form be it in person, by email, by letter, by newsletter, by telephone and/or by some other means.



**Theodore Jay Feight**

**D/B/A Creative Financial Design**

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**Offices In:**



<b>Portage</b>	<b>Lansing</b>	<b>Southfield</b>
Creekside Business Center 8175 Creekside Drive, Suite 200 Portage, Michigan 49024	Main Office 2112 Tulane Drive Lansing, Michigan 48912	Town Center 2000 Town Center, Suite 1900 Southfield, Michigan 48075

**March 31, 2011**

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

This brochure supplement provides information about Theodore J. Feight, CFP® that supplements the Theodore J. Feight, CFP®, D/B/A Creative Financial Design. brochure. You should have received a copy of that brochure. Please contact Theodore J. Feight, CFP®, Chief Compliance Officer toll free at (877) 566-9301 or (517) 371-5100 if you did not receive Creative Financial Design’s brochure or if you have any questions about the contents of this supplement. Additional information about the above individual is available on the SEC’s website at <http://www.adviserinfo.sec.gov> .



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## Theodore J. Feight, CFP® 1946

Owner, Creative Financial Design



### Education:

BS Western Michigan University Kalamazoo, MI  
College of Applied Science

CFP College for Financial Planning Denver, CO

### Professional Background:

A CERTIFIED FINANCIAL PLANNER™ practitioner since 1989, Theodore J. Feight is president of Creative Financial Design, in Lansing, Portage and Kalamazoo, Michigan.

Theodore J. Feight, CFP® has been in the financial services field since 1973. In 1984, he founded Creative Financial Design, a Registered Investment Advisory firm, to provide personal financial planning. In 1989 Theodore J. Feight, CFP® switched Creative Financial Design to a Fee-Only personal financial planning firm.

Theodore J. Feight is a leader in the financial planning profession. He is currently the Chair and immediate past President of the Midwest board of directors of the National Association of Personal Financial Advisors (NAPFA), a member of the national board of directors of the National Association of Personal Financial Advisors (NAPFA), a member of the National Consumer Education Foundation board of directors. He was in 2005 and 2004 Chair and President of the Financial Planning Association of Michigan (FPA of Michigan) and past member of Advisory Council and six member peer review board to handle complaints about violations of the Code of Ethics for the College for Divorce Specialists.



## Professional Designations:

### CERTIFIED FINANCIAL PLANNER™, 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 the 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.
3. Ethical requirements that govern professional engagements with clients.

Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

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

1. 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;
2. 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;
3. Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
4. 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:

1. 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
2. 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.

**Note:** It should be noted that when Theodore J. Feight, CFP® obtained his **CERTIFIED FINANCIAL PLANNER™, CFP®** designation the college was not requiring and college degree or the CFP® Comprehensive Certification Examination. These qualifications were added at a later date.



## **NAPFA REGISTER FINANCIAL ADVISOR®**

**The NAPFA Registered Financial Advisor®** is the top level of membership in the National Association of Personal Financial Advisors (NAPFA). All NAPFA Registered Financial Advisors® must:

1. Have three years of comprehensive financial planning experience.
2. Have a sample comprehensive financial plan pass a peer review process.
3. Have a Bachelor's degree from an accredited institution.
4. Either have the Certified Financial Planner™ (CFP®) designation awarded by the Certified Financial Planner Board of Standards, Inc., or the American Institute of Certified Public Accountants' Personal Financial Specialist (CPA/PFS) credential.
5. Complete 60 hours of continuing education every two years.
6. Provide investment and/or financial advice on a strictly Fee-Only basis as defined by NAPFA.

All NAPFA Registered Financial Advisors® must also adhere to NAPFA's Fiduciary Oath Standards of Membership and Affiliation, and Bylaws.

### **NAPFA's Fiduciary Oath**

1. The advisor shall exercise his/her best efforts to act in good faith and in the best interests of the client.
2. The advisor shall provide written disclosure to the client prior to the engagement of the advisor, and thereafter throughout the term of the engagement, of any conflicts of interest, which will or reasonably may compromise the impartiality or independence of the advisor.
3. The advisor, or any party in which the advisor has a financial interest, does not receive any compensation or other remuneration that is contingent on any client's purchase or sale of a financial product. The advisor does not receive a fee or other compensation from another party based on the referral of a client or the client's business.

Following the NAPFA Fiduciary Oath means its members shall:

1. Always act in good faith and with candor.
2. Be proactive in disclosing any conflicts of interest that may impact a client.
3. Not accept any referral fees or compensation contingent upon the purchase or sale of a financial product.

## **Disciplinary Information and Outside Business Activities**

None of the Creative Financial Design's advisors currently or in the past have ever had any disciplinary actions from regulators, courts, or the Certified Financial Planner Board of Standards nor are they actively engaged in any outside business activities.

## **Additional Compensation**

Creative Financial Design is a Fee-Only firm. Creative Financial Design charges an hourly fee or fee based on the amount of assets under management. Creative Financial Design does not receive a performance fee and/or any additional compensation from anyone. All of our fees come directly from our clients!



## Supervision

Although currently Creative Financial Design has only one advisor, over the years we have had many advisors working with clients. Creative Financial Design does plan on hiring new advisors in the future and each new advisor will have to go through an internship of 5 years where their plans and investment allocations will be overseen by Theodore J. Feight, CFP®.

## Creative Financial Design's Advisor Designation Requirements:

To be considered for an advisory position at Creative Financial Design, the individual must have completed all of their Certified Financial Planner™ requirements and work with in the Certified Financial Planner Board of Standards, Inc. and NAPFA Registered Financial Advisor ® guidelines.

## Requirement for State Registered Advisors

**No person** now or in the past, employed by Creative Financial Design has ever:

1. Had an award or otherwise been found liable in an arbitration claim alleging damages in excess of \$2,500.
2. Had an award or otherwise been found liable in a civil, self-regulatory organization, or administrative proceeding.
3. Been the subject of a bankruptcy petition.