

Van Der Noord Financial Advisors, Inc. Firm Brochure

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 by email at: 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 securities authority.

Additional information about Van Der Noord Financial Advisors, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov. Van Der Noord Financial Advisors, Inc.'s CRD number is: 135556

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Registration does not imply a certain level of skill or training.

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Item 2: Material Changes

There are no material changes in this brochure from Van Der Noord Financial Advisors, Inc.'s last annual update filing on March 3, 2011. Material changes relate to Van Der Noord Financial Advisors, Inc.'s policies, practices or conflicts of interests only.

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Item 4: Advisory Business

A. Description of the Advisory Firm

This firm has been in business since September 1, 2005, and the principal owner is Richard Van Der Noord.

B. Types of Advisory Services

Van Der Noord Financial Advisors, Inc. (hereinafter "VDNFA") offers the following services to advisory clients:

Selection of Other Advisors

VDNFA will direct clients to third party money managers. VDNFA will not be compensated via a fee share from the advisors to which it directs those clients, but Mr. Van Der Noord will be compensated. This relationship will be disclosed in each contract between the third party manager and Mr. Van Der Noord's broker dealer, Triad Advisors, Inc. The fees shared will not exceed any limit imposed by any regulatory agency. Before selecting other advisors for clients, VDNFA will always ensure those other advisors are properly licensed or registered as investment advisor.

Financial Planning

Financial plans and financial planning may include, but are not limited to: investment planning, life insurance; tax concerns; retirement planning; college planning; and debt/credit planning. These services are based on fixed fees or hourly fees and the final fee structure is documented in Exhibit II of the Financial Planning Agreement.

Services Limited to Specific Types of Investments

VDNFA limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, REITs, insurance products including annuities, government securities. VDNFA may use other securities as well to help diversify a portfolio when applicable.

C. Client Tailored Services and Client Imposed Restrictions

VDNFA offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent VDNFA from properly servicing the client account, or if the restrictions would require VDNFA to deviate from its standard suite of services, VDNFA reserves the right to end the relationship.

D. Wrap Fee Programs

VDNFA does not participate in any wrap fee programs.

E. Amounts Under Management

VDNFA has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0.00	\$73,717,092.00	12/31/2011

Item 5: Fees and Compensation

A. Fee Schedule

Third Party Manager Fees

VDNFA will direct clients to third party money managers. VDNFA will not be compensated via a fee share from the advisors to which it directs those clients, but Mr. Van Der Noord will be compensated. This relationship will be disclosed in each contract between the third party manager and Mr. Van Der Noord's broker dealer, Triad Advisors, Inc. The fees shared will not exceed any limit imposed by any regulatory agency. Before selecting other advisors for clients, VDNFA will always ensure those other advisors are properly licensed or registered as investment advisor.

Financial Planning Fees

Fixed Fees

Depending upon the complexity of the situation and the needs of the client, the rate for creating client financial plans is between \$2,000 and \$10,000. Fees are paid in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination. The fees are negotiable and the final fee schedule will be attached in the Financial Planning Agreement. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

Hourly Fees

Depending upon the complexity of the situation and the needs of the client, the hourly fee for these services is between \$100 and \$150. The fees are negotiable and the final fee schedule will be attached in the Financial Planning Agreement. Fees are paid in arrears upon completion. Because fees are charged in arrears, no refund is necessary. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

B. Payment of Fees

Payment of Financial Planning Fees

Hourly Financial Planning fees are paid via check in arrears upon completion. Because fees are charged in arrears, no refund is necessary.

Fixed Financial Planning fees are paid via check in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination.

C. Clients Are Responsible For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, mutual fund fees, transaction fee etc.). Those fees are separate and distinct from the fees and expenses charged by VDNFA. Please see Item 12 of this brochure regarding broker/custodian.

D. Prepayment of Fees

VDNFA collects fees in advance and in arrears. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be returned within fourteen days to the client via check or return to credit card.

E. Outside Compensation For the Sale of Securities to Clients

Richard Van Der Noord in his role as a registered representative accepts compensation for the sale of securities to VDNFA clients.

1. This is a Conflict of Interest

VDNFA and its supervised persons will accept compensation for the sale of securities or other investment products, including asset based sales charges or services fees from the sale of mutual funds to its clients. This presents a conflict of interest and gives the supervised person and VDNFA an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of securities or investment products for which VDNFA receives compensation, VDNFA will document the conflict of interest in the client file and inform the client of the conflict of interest.

2. Clients Have the Option to Purchase Recommended Products From Other Brokers

Clients always have the option to purchase VDNFA recommended products through other brokers or agents that are not affiliated with VDNFA.

3. Advisory Fees in Addition to Commissions or Markups

Advisory fees that are charged to clients are not reduced to offset the commissions or markups on securities or investment products recommended to clients.

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

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

Item 7: Types of Clients

VDNFA generally provides investment advice and/or management supervisory services to the following Types of Clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pension and Profit Sharing Plans

Minimum Account Size

There is an account minimum, \$750,000, which may be waived by the investment advisor, based on the needs of the client and the complexity of the situation.

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

A. Methods of Analysis and Investment Strategies

VDNFA's methods of analysis include charting analysis, fundamental analysis, technical analysis, and cyclical analysis.

Charting analysis involves the use of patterns in performance charts. VDNFA uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

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

Technical analysis involves the analysis of past market data; primarily price and volume.

Cyclical analysis involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

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

B. Material Risks Involved

VDNFA uses Long Term Trading strategies. VDNFA utilizes investment strategies that are designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

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

C. Risks of Specific Securities Utilized

VDNFA generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

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

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither VDNFA nor its representatives are registered as a broker/dealer or as representatives of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither VDNFA nor its representatives are registered as a FCM, CPO, or CTA.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Richard Van Der Noord is a registered representative of Triad Advisors, Inc. From time to time, he will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. VDNFA always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of VDNFA in their capacity as a registered representative.

D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections

VDNFA will direct clients to third party money managers. VDNFA will not be compensated via a fee share from the advisors to which it directs those clients, but Mr. Van Der Noord will be compensated. This relationship will be disclosed in each contract between the third party manager and Mr. Van Der Noord's broker dealer, Triad Advisors, Inc. The fees shared will not exceed any limit imposed by any regulatory agency. Before selecting other advisors for clients, VDNFA will always ensure those other advisors are properly licensed or registered as investment advisor.

Item 11: Code of Ethics, Participation in Transactions, Personal Trading

A. Code of Ethics

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Clients may request a copy of our Code of Ethics from management. In addition, VDNFA complies with the Code of Ethics established by the CFP Board.

B. Recommendations Involving Material Financial Interests

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

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of VDNFA may buy or sell securities for themselves that they also recommend to clients. VDNFA will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of VDNFA may buy or sell securities for themselves at or around the same time as clients.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

The Custodian was chosen based on their relatively low transaction fees and access to mutual funds and ETFs. VDNFA will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

1. *Research and Other Soft-Dollar Benefits*

There is no minimum client number or dollar number that VDNFA must meet in order to receive free research from the custodian or broker/dealer. There is no incentive to for VDNFA to direct clients to this particular broker-dealer over other broker-dealers who offer the same services. The first consideration when recommending broker/dealers to clients is best execution.

2. *Brokerage for Client Referrals*

VDNFA receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. *Clients Directing Which Broker/Dealer/Custodian to Use*

VDNFA will not allow clients to direct VDNFA to use a specific broker-dealer to execute transactions. Clients must use VDNFA recommended custodian (broker-dealer). Not all investment advisers require their clients to direct brokerage. By requiring clients to use our specific custodian, VDNFA may be unable to achieve most favorable execution of client transaction and that this may cost clients money over using a lower-cost custodian.

B. Aggregating (Block) Trading for Multiple Client Accounts

VDNFA maintains the ability to block trade purchases across accounts but will rarely do so. While block trading may benefit clients by purchasing larger blocks in groups, we do not feel that the clients are at a disadvantage due to the best execution practices of our custodian.

Item 13: Reviews of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Client accounts are reviewed at least quarterly only by Richard Van Der Noord, President. Richard Van Der Noord is the chief advisor and is instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at Investment Advisor (IA) are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Richard Van Der Noord, President. There is only one level of review and that is the total review conducted to create the financial plan.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

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

C. Content and Frequency of Regular Reports Provided to Clients

Each client will receive at least quarterly a written report detailing the clients account performance, which may come from the custodian. Clients will also receive statements from VDNFA.

Clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

Item 14: Client Referrals and Other Compensation

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

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

B. Compensation to Non –Advisory Personnel for Client Referrals

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

Item 15: Custody

VDNFA does not take custody of client accounts at any time. Custody of client's accounts is held primarily at the custodian. Clients will receive account statements from the custodian and should carefully review those statements. VDNFA urges clients to compare the account statements they receive from the custodian with those they received from VDNFA.

Item 16: Investment Discretion

VDNFA does not have discretion over client accounts at any time.

Item 17: Voting Client Securities (Proxy Voting)

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

Item 18: Financial Information

A. Balance Sheet

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

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

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

C. Bankruptcy Petitions in Previous Ten Years

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

Item 19: REQUIREMENTS FOR STATE REGISTERED ADVISERS

A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background

VDNFA currently has only one management person and only one executive officer; Richard Van Der Noord. Richard Van Der Noord's education and business background can be found on the Supplemental ADV Part 2B form.

B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)

Richard Van Der Noord's other business activities can be found on the Supplemental ADV Part 2B form.

C. How Performance Based Fees are Calculated and Degree of Risk to Clients

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

D. Material Disciplinary Disclosures for Management Persons of this Firm

No management person at VDNFA has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding

E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)

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