

Item 1 – Cover Page

Wilshire-Pennington Group, Inc.
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Date of Brochure: March 31, 2011

This brochure provides information about the qualifications and investment advisory business practices of Wilshire-Pennington Group, Inc. If you have any questions about the contents of this brochure please contact us at 405-751-8600 amber@wilshire-pennington.com or Danny@wilshire-pennington.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.

Additional information about my investment advisory business is also available on the Internet at www.adviserinfo.sec.gov. You can view my information on this website by searching for “Wilshire-Pennington Group, Inc.” You can also search using the firm’s CRD numbers. The CRD number for the firm is **127465**.

*Registration as an investment advisor does not imply a certain level of skill or training.

Item 2 – Material Changes

On July 28, 2010, the United States Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by applicable rules and regulations. This Disclosure Brochure dated March 31, 2011 is a new document prepared according to the new requirements and rules. As such, this document is materially different in structure and requires certain new information that our previous Form ADV Part II and Schedule F did not require. In the future, this item will discuss only specific material changes that are made to the Disclosure Brochure and provide readers with a summary of such changes. It will also reference the date of the last annual update of the brochure.

In the past we have offered or delivered information about our firm’s qualifications and business practices to clients on at least an annual basis. Pursuant to new rules, we will ensure that you receive a summary of any material changes to this and subsequent Disclosure Brochures within 120 days after our fiscal year ends. Our fiscal year ends on December 31 so you will receive the summary of material changes no later than April 30 each year. At that time we will also offer a copy of the most current Disclosure Brochure. We may also provide other ongoing disclosure information about material changes as necessary.

Clients and prospective clients can always receive the most current Disclosure Brochure for Wilshire-Pennington Group, Inc. by contacting Amber Eduvigen, at 405-751-8600, amber@wilshire-pennington.com.

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Item 4 – Advisory Business

Wilshire-Pennington Group, Inc. is an investment advisor registered with the United States Securities and Exchange Commission (“SEC”) and is a Corporation formed under the laws of the State of Oklahoma.

Wilshire-Pennington Group, Inc. has been a registered investment advisor since 5/2003.

B. Daniel Kennedy is the company President and Principal owner

General Description of Primary Advisory Services

The following are brief descriptions of our primary services. A detailed description of our services is provided in *Item 5 – Fees and Compensation* so that clients and prospective clients can review the services and description of fees in a side-by-side manner.

Financial Planning Services – We provide advisory services in the form of financial planning services. Financial planning services do not involve the active management of client accounts, but instead focuses on a client’s overall financial situation. Financial planning can be described as helping individuals determine and set their long-term financial goals, through investments, tax planning, asset allocation, risk management, retirement planning, and other areas. The role of a financial planner is to find ways to help the client understand his/her overall financial situation and help the client set financial objectives.

Asset Management Services – We provide advisory services in the form of Asset Management Services. Asset Management Services involve providing clients with continuous and on-going supervision over client accounts. This means that we will continuously monitor a client’s account and make trades in client accounts when necessary.

Outside (Third Party) Money Managers – We provide advisory services by referring clients to outside, or unaffiliated, money managers that are registered or exempt from registration as investment advisors. Third-party money managers are responsible for continuously monitoring client accounts and making trades in client accounts when necessary.

Specialization

The firm specializes in providing individualized investment advice through its asset management services.

- **Financial planning focusing on Small Business Owner issues such as insurance and employee benefit programs.**
- **Retirement planning, wealth transfer/estate planning and education planning**
- **Investment Management specializing in selection of mutual fund portfolios**
- **Investment Management specializing in selection of equities and fixed income investments**
- **Investment Management specializing in an a suitable asset mix of equities, Exchange Traded Funds, fixed income, options, other general securities and mutual funds**
- **Investment management services focusing on quantitative analysis, technical analysis and fundamental analysis.**
- **Investment management focusing on long-term strategies, short-term strategies, short-selling techniques and market timing.**

Limits Advice to Certain Types of Investments

We provide investment advice on the following types of investments.

- Exchange-listed securities (i.e. stocks)
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States government securities

When providing Asset Management Services, the firm will typically construct each client's account holdings using mutual funds and equities to build diversified portfolios. It is not our typical investment strategy to attempt to time the market but we may increase cash holdings modestly as deemed appropriate, based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations like: low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)

Participation in Wrap Fee Programs

We do not offer services through wrap-fee programs. A wrap fee program is defined as any advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions. Whenever a fee charged to a client for services described in this brochure (whether wrap fee or non-wrap fee), we will receive all or a portion of the fee charged.

Tailor Advisory Services to Individual Needs of Clients

Our services are always provided based on the individual needs of each client. This means, for example, that you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with each client on a one-on-one basis through interviews and questionnaires to determine the client's investment objectives and suitability information.

Client Assets Managed by Wilshire-Pennington Group, Inc.

The amount of clients assets managed by us totaled \$61,776,950.81 as of December 31, 2010. All accounts are managed on a discretionary basis.

Item 5 – Fees and Compensation

In addition to the information provide in Item 4 – Advisory Business, this section provides details regarding Wilshire-Pennington Group, Inc.'s services along with descriptions of each service's fees and compensation arrangements.

Wilshire-Pennington provides customized investment strategies and believes the best way to provide advisory services that are most appropriate is through a deep understanding of our clients. We request that clients interested in utilizing the Wilshire-Pennington Investment Management Services will have engaged in prerequisite Financial Planning Services. This is a valuable process, designed to prepare financial planning advice and recommendations, as well as enable us and the client to reach a mutual understanding and discovery of the client's unique needs, goals and expectations. The process can also help to guide clients to make decisions with purpose, to better determine the steps to achieve stated goals, and can assist us in building a comprehensive financial and investment plan for the client.

FINANCIAL PLANNING SERVICES

Financial Planning Services begin with a data-gathering and analysis of the client's stated needs, financial goals and objectives, risk tolerance, age, tax status, net worth, income and other relevant factors. We will request input and information from the client, including financial information in conjunction with past financial history, present financial condition, and investment goals. These may include planning for short-term goals (such as college funding) or for long-term goals (such as retirement planning) or other segments of an investment plan that may be desired. The information gathered for review and assessment may vary, depending upon the individual needs and objectives as stated by the client. Information presented by the client will be deemed reliable and current. The adviser may also request information regarding the utilization of other Advisors (e.g., attorney, accountant, banker, etc.), family background, and other circumstances that may affect the client economically, based upon what information is reported by the client.

The Financial Planning Services include an investment management capital accumulation or capital distribution plan, a tax plan, and measures annual savings progress. We may offer comprehensive planning services or the client may desire advice on certain planning components. We will assist the client with the development and implementation of a comprehensive financial plan. Wilshire-Pennington can tailor services as desired by the client. When Financial Planning Services only focus on certain areas of client interests, needs or is otherwise limited, clients must understand that a client's overall financial and investment needs and objectives may not be considered as a result of time and/or service restraints placed on our services.

The advice provided may include recommendations for updates and reviews. During the course of the Investment Management engagement, we will remain available to the client for client-initiated updates and annual reviews. All clients are invited to attend Wilshire-Pennington's complimentary Financial Planning Symposiums.

The Financial Planning Symposiums are workshops that focus on general investment and financial planning issues that may be of interest to clients.

Investment Management Services

Investment Management Services are continuous and ongoing in nature and involve the frequent (no less than quarterly) monitoring and review of underlying portfolio assets.

Using the client's initial and any subsequent data-gathering interview(s), we will provide recommendations and advice for the creation of a new investment portfolio or updates to an existing portfolio along with strategies designed to help clients meet their stated objectives. We may consider

various investment programs that may assist the client in meeting their stated investment objective. Thereafter, we provide ongoing monitoring of the portfolio, which entails reviews and monitoring of third-party adviser performance, if applicable.

Wilshire-Pennington provides investment advisory services primarily through the selection of individual common stocks, preferred stocks, mutual funds, Exchange Traded Funds (ETFs), and/or fixed income securities. We may consider various other investment programs that may assist the client in meeting the desired investment objectives. The nature of services is tailored to the type of client and is agreed upon at the time of engagement.

Portfolios are generally reviewed on an ongoing basis, however reviews could also occur at the time of new deposits, material changes in client's financial information, changes in the market, as often as the client may prefer as agreed to at engagement, or at our discretion. Reviews entail analyzing client portfolios, securities, sensitivity to overall markets, economic changes, investment results and asset allocation, etc., to help ensure the investment strategy and expectation are structured to continue to meet clients' stated needs and objectives. If a TPA is selected by the client, the TPA will also review portfolios and the TPA's process will be outlined in the TPA's ADV Part II or Substitute Brochure.

We encourage frequent client contact but will seek out contact no less than annually. However, clients are obligated to promptly notify us of any changes in the client's financial status to provide us and client the opportunity to review current circumstances to help ensure our investment strategies continue to meet the client's changing needs or to determine if there needs to be a change in investment objectives and strategies. Clients may call the office at any time during normal business hours to discuss his/her account, financial situation or investment needs directly with an Advisory Representative of Wilshire-Pennington.

Clients will receive transactional statements and regular account statements from their custodian or brokerage firm. Wilshire-Pennington may also prepare reports based upon the informational needs of the client, written strategies, post-meeting communications or any other communication at the discretion of the Adviser.

Clients have the ability to leave standing instructions with us to refrain from investing in particular industries, invest in limited amounts of securities, request third-party checks or electronic fund transfers (sent from the custodian directly to the client's address or account of record), and to re-balance portfolios. Clients may also give limited discretionary authority/trading authority to TPAs as evidenced by a signed service agreement. Clients will have a direct and beneficial interest in his/her securities, rather than an undivided interest in a pool of securities. Clients retain the authority to vote proxies and clients are responsible for ensuring the proxy materials are sent directly to them or to their designated third party representative. Wilshire-Pennington does not and will not have custody of clients' funds or securities with the exception of the limited ability to deduct investment advisory fees and only with the client's authorization.

ADVISORY FEES

Combined Financial Planning and Investment Management Fee Schedule:

The following schedule reflects the total combined investment management fee and financial planning fee reflected in the previous schedules:

<u>Assets Under Management</u>	<u>Annual Percentage</u>
Up to \$500,000	1.45%
\$500,001 up to \$1,000,000	1.24%
\$1,000,001 up to \$2,500,000	0.903%
\$2,500,001 up to \$5,000,000	0.752%
Over \$5,000,000	0.601%

Fee will be billed quarterly in arrears and will be deducted from the client accounts unless other arrangements are made. The quarterly fee is based upon the portfolio's market value assigned by the client's custodian as of the end of the last trading day of the preceding quarter. If services are initiated at any time other than the beginning of a calendar quarter, fees will be prorated. In absence of a custodial market value, the value will be agreed upon between the Adviser and client with input from at least one independent third party.

In certain cases and at our discretion, advisory fees are modified based on the nature of services to be provided and the complexity of the client's situation. Fees may also be modified for pre-existing relationship or in cases when additional time and effort are required. Investment Management fees are determined at the time of engagement, fees are outlined in the Advisory Agreement. Fees will not be based upon a share of capital gains or capital appreciation of the funds of any portion of funds of an advisory contract (no "performance fees"). Fees are not collected for services to be performed more than six months in advance and in excess of \$500. The aforementioned advisory fees represent fees for advisory services only. Clients pay transaction and brokerage fees to broker/dealers and/or custodial firms. A current list of transactions fees is available upon request.

Additional Fees

Fees charged above include up to 50 trades per account for each calendar year. If the account exceed 50 trades, the account will be billed a flat fee of \$8.00 per transaction. In addition to the Adviser's compensation, clients will also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses) and charges imposed by the client's account custodian. Our agents may, acting in the capacity of a Cambridge Registered Representative, receive commissions based on brokerage activities not related to Wilshire-Pennington. Brokerage commissions, transaction ticket charges and other service fees charged by the account custodian will be billed directly to the client by the account custodian. We will not receive any portion of such commissions or fees from the custodian or the client. Additionally, the client may incur certain imposed by third parties other than us in connection with mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, and IRA and qualified retirement plan fees. Management fees charged by us are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to clients. A description of these fees and expenses are available in each investment company's security prospectus which will be provided to clients.

Account Minimums

A minimum fee of \$75.00 may be charged quarterly by Fidelity Institutional, if acting as account custodian, on relationships valued less than \$1,000,000. (Relationships include all household accounts that are not considered employer sponsored retirement plans.) Both the additional fees described above and these account minimum fees are fees charged by Fidelity investments (our primary custodian). Wilshire-Pennington receives no portion of these fees

Investment Management fees may be paid directly by the client or, upon written approval from the client, through a debit directly to the client's account by the qualified custodian holding the client's funds and securities. Since the custodian does not verify the accuracy of the advisory fee calculation, clients should verify each copy of the quarterly invoice and promptly contact us if any questions should arise.

OUTSIDE (THIRD PARTY) MONEY MANAGERS

We have been able to establish agreements directly with third-party money managers offering a wide range of advisory services, including asset allocation, market timing and portfolio management. We can then refer you to a third-party money manager and the third-party money manager provides asset management and investment advisory services directly to you. This means the third-party money manager is responsible for continuously monitoring your accounts and making trades in your accounts when necessary.

When you agree to engage a third-party investment advisor that we recommend, we are considered a solicitor to the third-party investment advisor. As a result, we are paid a portion of the fee charged and collected by the third-party investment advisor in the form of solicitor fees or consulting fees. Each solicitation arrangement is performed pursuant to a written solicitation agreement and is in compliance with SEC Rule 206(4)-3 and applicable state securities rules and regulations.

We are always responsible for assisting you with identifying your risk tolerance and investment objectives. We recommend third-party investment advisors and help determine appropriate investment strategies in relation to your stated investment objectives and risk tolerance. You must enter into an agreement directly with the unaffiliated third-party investment advisor.

Although the third-party investment advisors are responsible for making all investment decisions, we are available to answer questions you may have regarding your account and act as the communication conduit between you and the third-party investment advisors. The third-party investment advisors we recommend generally require discretionary authority to determine the securities to be purchased and sold in your accounts. Neither we nor our representatives have any trading authority with respect to your managed account(s) with the third-party investment advisor(s).

Although we review the performance of numerous third-party investment advisor firms, we enter into only a select number of relationships with third-party investment advisor firms that have agreed to pay us a portion of the overall fee charged to our clients. Therefore, we have a conflict of interest because we only recommend third-party investment advisors that agree to compensate us for referring our clients.

You are advised that there may be other third-party managed programs, not recommended by us, that are suitable for your and that may be more or less costly than arrangements recommended by us. No guarantees can be made that your financial goals or objectives will be achieved by a third-party investment advisor recommended by us. Further, no guarantees of performance can ever be offered by us. See **Item 8, Methods of Analysis, Investment Strategies and Risk of Loss**, for more details.

Trading by outside money managers may trigger wash sale rule implications. You are encouraged to consult with a tax advisor to discuss any tax implications involving your portfolios in this program.

If we recommend a third-party investment advisor to you, a complete description of that advisor's services, fee schedules and account minimums is provided in the advisor's Form ADV Disclosure Brochure or Wrap Fee Program Brochure. These brochures are provided to you when we initially recommend the third-party investment advisor.

While the actual fee charged to you varies depending on the third-party investment advisor utilized, a portion of the fees charged will be retained by us in the form of solicitor fees or consulting fees. Our portion of the fee is not negotiable. All fees are calculated and collected by the selected third-party investment advisor firm who is responsible for delivering our portion of fee to us.

You may incur additional charges including, but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges and IRA and qualified retirement plan fees. We will never receive any portion of such commissions or fees. We are only compensated by the consulting fee described above. We receive no other compensation in connection with your account managed by a third-party investment advisor. When we negotiate lower fees and expenses charged by third parties, all negotiated improvements are for your benefit.

TERMINATION OF SERVICES

Clients are welcome to terminate investment advisory services (Financial Planning or Investment Management Services) when desired. The client may terminate the Client Agreement without penalty (full refund or no fees due) within 5 business days of signing the Agreement. Alternatively, after 5 business days, Financial Planning and Investment Management services may be terminated immediately upon receipt of written notice by either party. Final advisory fees are calculated in arrears pro rata based on the number of days services were provided prior to receipt of notice of termination through the date of termination.

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

Item 6 of the Form ADV Part 2 instructions is not applicable to this Disclosure Brochure because we do not charge or accept performance-based fees which can be defined as fees based on a share of capital gains on or capital appreciation of the assets held within a client's account.

Item 7 – Types of Clients

Wilshire-Pennington Group, Inc. generally provides investment advice to the following types of clients:

- Individuals,
- Trusts, estates or charitable organizations
- Corporations or business entities other than those listed above

Minimum Investment Amounts Required

The firm has not set a minimum account size requirement. We reserve the right to decline services to any person or firm at our discretion. Unaffiliated third party management firms may impose minimum portfolio sizes, as described in their disclosure materials.

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

Wilshire-Pennington Group, Inc. uses the following methods of analysis in formulating investment advice.

Charting - The set of techniques used in technical analysis in which charts are used to plot price movements, volume, settlement prices, open interest, and other indicators, in order to anticipate future price movements. Users of these techniques, called chartists, believe that past trends in these indicators can be used to extrapolate future trends.

Cyclical - Analyzes the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during downturns in the economy and higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins, and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.

Fundamental - A method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

Technical - A method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Wilshire-Pennington Group, Inc. uses the following investment strategies when managing client assets and/or providing investment advice.

Wilshire-Pennington attempts to measure an investor's goal, risk tolerance and time horizon through an interview and data-gathering process in an effort to determine a plan/portfolio to best fit the investor's profile. The Adviser will rely on the information provided by the client and is not obligated to verify the accuracy of information or reports provided.

Investment strategies may be based upon a number of concepts and determined by the type of investor and the investor's stated goals, objectives, time horizon and other factors. Portfolios, advice and recommendations are based upon a client's goals, objectives, investment time horizon and risk tolerance using the information the client provides. Investment strategies used to implement investment advice are generally long-term in nature and primarily utilize a "buy and hold" philosophy. Investment strategies may include short-term purchases depending upon the individual needs and objectives of the client. Third-party management programs may employ modified or alternative methods of analysis and strategies.

Therefore, clients should read over the disclosures provided by third-party management firms prior to engaging these services.

The concept of asset allocation or spreading investments among a number of asset classes (domestic stocks vs. foreign stocks; large cap stocks vs. small cap stocks; corporate bonds vs. government securities) is generally in the forefront of our strategies. At its heart, asset allocation seeks to achieve the most efficient diversification of assets, to help lessen risk while not sacrificing the effectiveness of the portfolio in an effort to help yield the client's objectives. Since risk reduction is a key element to long-term investment success, asset allocation principles are a key part of the Adviser's overall approach in preparing advice for clients.

Recommendations for or purchases of investments will be based on publicly available reports or analysis. In the case of mutual funds, recommendations will be based on reports and analysis of performance and managers, and certain computerized and other models for asset allocation and investment timing. Wilshire-Pennington utilizes many sources of public information to include financial news and research materials.

Specifically Wilshire-Pennington Group, Inc. will employ the following Investment Strategies:

Long term purchases. Investments held at least a year.

Short term purchases. Investments sold within a year.

Trading. Investments sold within 30 days.

Short sales. A short sale is generally the sale of a stock not owned by the investor. Investors who sell short believe the price of the stock will fall. If the price drops, the investor can buy the stock at the lower price and make a profit. If the price of the stock rises and the investor buys it back later at the higher price, the investor will incur a loss. Short sales require a margin account.

Risk of Loss

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients (including you) should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, my firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated when investing in securities through my investment management program.

- **Market Risk** – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.

- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk. When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When we invest in an ETF or mutual fund for a client, the client will bear additional expenses based on its pro rata share of the ETFs or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produced the expected returns, the value of the investment will decrease.

Item 9 – Disciplinary Information

While the Wilshire-Pennington Group does not believe the matter will significantly impact the firm we feel that it in order to meet our regulatory disclosure requirements it is important to disclose that in March 2010, our company President and principal owner, B. Daniel Kennedy was named as a defendant in a civil action in District Court in Oklahoma (Case Number CJ-2010-5400). The complaint seeks damages in excess of \$1 million and alleges that Mr. Kennedy persuaded the claimant to participate in a 419 Plan (A type of employer-sponsored employee welfare benefit plan) that did not meet the established Tax Code requirements. Mr. Kennedy denies all of the allegations in that he did not make the recommendation to the client and was not involved in providing tax advice. Tax advice was provided by

outside legal counsel procured by Xelan, Inc. Mr. Kennedy was an employee of Xelan. The matter is still pending.

Item 10 – Other Financial Industry Activities and Affiliations

Wilshire-Pennington Group, Inc. is **not** and does **not** have a related company that is a (1) broker/dealer, municipal securities dealer, government securities dealer or broker, (2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund), (3) other investment adviser or financial planner, (4) futures commission merchant, commodity pool operator, or commodity trading advisor, (5) banking or thrift institution, (6) accountant or accounting firm, (7) lawyer or law firm, (8) pension consultant, (9) real estate broker or dealer, or (10) sponsor or syndicator of limited partnerships.

Relationship with Cambridge Investment Research, Inc.

Wilshire-Pennington Groups’ associated persons are registered representatives of Cambridge Investment Research, Inc. (CIR) a registered broker/dealer, member FINRA and SIPC. Clients are not obligated to purchase or sell securities through Wilshire-Pennington Groups’ associated persons in these separate capacities. However, if clients choose to implement the advice provided by Wilshire-Pennington Group through them in their separate capacities as registered representatives, CIR will be used and commissions may be earned in addition to any fees paid for advisory services. Commissions may be higher or lower at CIR than at other broker/dealers. Registered representatives are restricted to only offering those products and services that have been reviewed and approved for offering to the public by CIR and for which CIR and its clearing firms, Pershing and NFS, have obtained a selling agreement.

Insurance Activities

While Wilshire-Pennington Groups’ primary business involves providing investment advice; Wilshire-Pennington Group is licensed as an insurance agency and our Investment Advisor Representatives are licensed as an independent insurance agent through various insurance companies. You are never obligated or required to use purchase insurance products through me or my firm in our separate insurance capacities; however, when acting in our separate capacities, Wilshire-Pennington Group can help you purchase insurance products and will receive separate compensation (i.e. insurance commissions) in addition to investment advisory fees charged.

Wilshire-Pennington Group spends approximately 1% of our time offering insurance products.

Third-Party Money Managers

As described in *Item 4 – Advisory Business* and *Item 5 – Fees and Compensation*, we have formed relationships with independent, third-party money managers.

We may recommend clients work directly with third-party money managers. When we refer clients to a third party money manager, you need to know that the firm will receive a portion of the fee charged by the third party money manager. Therefore, we have a conflict of interest in that we will only recommend third

party money managers that will agree to compensate the firm by paying us a portion of the fees billed to your account managed by the third party money manager.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

CODE OF ETHICS

We take the issue of regulatory compliance seriously and are committed to maintain compliance with state and applicable federal securities laws. Additionally, we have a position of public trust and it is our goal to maintain that trust; provide excellent service, good investment performance; and suitable advice. We place great value on ethical conduct. Therefore, the ultimate goal of our internal policies is to challenge our staff to live up not only to the letter of the law, but also to the ideals set forth by us.

Clients may be familiar with the roles fiduciaries play in various legal situations and in certain industries. As a Registered Investment Adviser, we are a fiduciary to each and every client. As fiduciaries, Investment Advisers owe their clients several specific duties. According to the United States Securities Commission (“SEC”), to which many states securities regulations defer, an Investment Adviser’s fiduciary duties include:

- Providing advice that is suitable;
- Providing full disclosure of material facts and potential conflicts of interest (such that the client has complete and honest disclosure in order to make an informed decision about services of the Adviser and about investment recommendations);
- The utmost and exclusive loyalty and good faith;
- Best execution of transactions under the available circumstances;
- Exercising reasonable care to avoid ever misleading clients;
- Only acting in the best interests of clients.

It is our policy to protect the interests of each of our clients and to place the clients’ interests first and foremost in each and every situation we will abide by honest and ethical business practices to include, but not limited to:

- We will not induce trading in a client’s account that is excessive in size or frequency in view of the financial resources and character of the account.
- We will make investment decisions with reasonable grounds to believe that the decisions are suitable for the client on the basis of information furnished by the customer and we will document suitability.
- We, along with our Advisory Representatives, will not borrow money from clients.

- We will not recommend the purchase of a security without the reasonable belief that the security is registered, or the security or transaction is exempt from registration in states where we provide investment advice and based upon information we receive.
- We will not recommend that the client place an order to purchase or sell a security through a broker/dealer or agent, or engage the services of a broker/dealer that is not licensed, based upon information available to us.
- Our staff will report all required personal securities transactions to B. Daniel Kennedy, President or Amber Eduvigen, Chief Compliance Officer of Wilshire-Pennington Group.

All applicable securities rules and regulations will be strictly enforced. We will not permit and have instituted controls against insider trading. Advisory Representatives and administrative personnel who do not follow our Code of Ethics or whom, in any way, violate securities rules and regulations, or who fail to report known or suspect violations, will be disciplined or terminated. Such persons could also face action by the SEC and/or state securities regulators. Clients are welcome to request a copy of our Code of Ethics by contacting our office.

We emphasize the unrestricted right of clients to decline to implement any advice rendered, in whole or part. Where we are granted discretionary authority of the client's accounts, clients are welcome to set investment parameters and/or limitations in writing and such direction is followed until such time the client's instructions are amended in writing.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

As disclosed previously, Advisory Representatives of Wilshire-Pennington are Registered Representatives of Cambridge Investment Research, Inc., ("CIR"). Representatives may suggest that advisory clients place transactions through CIR. If client transactions are executed through CIR, Advisory Representatives may receive normal commissions, thus a conflict of interest exists between our interests and that of our clients. Clients are under no obligation to purchase products we may recommend through Wilshire-Pennington, CIR or various insurance companies.

Clients should be aware that they may incur other fees to unaffiliated third parties such as retirement plan administrative fees, deferred sales charges on mutual funds initially deposited into the account, 12(b)(1) fees and other mutual fund fees as described in the Prospectus of each fund. The client will bear charges and the fees/charges of other programs, which may involve investments in mutual funds. This also applies to programs that may maintain cash balances in money market funds. In addition, some mutual funds may pay annual distribution charges, the aforementioned "12(b)(1) fees" which come from fund assets, and thus, indirectly from client assets. Since those representatives who are registered representatives of a broker/dealer may receive a commission on load funds, this may represent incentive to recommend load funds in favor of funds without a load. The Advisory Representatives of Wilshire-Pennington acknowledge the fiduciary responsibility to obtain best execution on behalf of clients.

At times our interests, or related persons' accounts, may coincide with the interests of clients' accounts; however, at no time will we or any related person receive an added benefit or advantage over clients with respect to these transactions. In any case, we will place the interests of clients ahead of our interests or our representatives in each instance. We will maintain records of personal securities transactions that

are required to be reported to the Chief Compliance Officer. All applicable securities rules and regulations will be strictly enforced. We will not permit insider trading.

Affiliate and Employee Personal Securities Transactions Disclosure

Wilshire-Pennington Group, Inc. or its Advisory Representatives may buy or sell securities or have an interest or position in their personal account in a security that they also recommend to clients. We are and shall continue to be in compliance with *The Insider Trading and Securities Fraud Enforcement Act of 1988*. As these situations may represent a potential conflict of interest, it is our policy that no Advisory Representatives shall prefer his or her own interest to that of the advisory client. No person employed by us may purchase or sell any security prior to a transaction or transactions being implemented for an Advisory client account. Officers, Advisory Representatives and employees shall not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, from information obtained as a result of his/her employment unless the information is also available to the investing public upon reasonable inquiry. We maintain a list of all securities holdings for ourselves and all Advisory Representatives and access persons, this list and all Personal Securities Transactions of our associated persons are reviewed on a regular basis by B. Daniel Kennedy, President or Amber Eduvigen, Chief Compliance Officer of Wilshire-Pennington Group.

At times associated persons may invest in the same or similar securities as clients. The associated person's orders will not be placed ahead of the clients' or to the contrary of the advice given to the client.

Item 12 – Brokerage Practices

Cambridge Investment Research, Inc. (CIR)

Clients choosing to implement Wilshire-Pennington Group's advice are free to select any broker they wish and are so informed. If the firm assists in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible. If clients wish to have Wilshire-Pennington Group's associated persons implement the advice in their capacity as registered representatives, then our associated persons' broker/dealer, CIR, will be used. Not all investment advisors require the use of a particular broker/dealer. Some investment advisors allow their clients to pick which broker/dealer the client uses. However, in order to provide efficient services and based on the arrangement with CIR, Wilshire-Pennington Group requires the use of CIR when opening an account through the firm's Investment Management Services program.

Associated persons of Wilshire-Pennington Group are registered representatives of CIR and are required to use the services of CIR and CIR's approved clearing broker-dealers when acting in their capacity as registered representatives. CIR serves as the introducing broker-dealer. All accounts established through CIR will be cleared and held through National Financial Services, LLC or Pershing, LLC. CIR has a wide range of approved securities products for which CIR performs due diligence prior to selection. CIR's registered representatives are required to adhere to these products when implementing securities transactions through CIR. Commissions charged for these products may be higher or lower than commissions clients may be able to obtain if transactions were implemented through another broker/dealer. Because some of the associated persons of Wilshire-Pennington Group are also registered representatives of CIR, CIR provides compliance and supervision support to the associated persons of Wilshire-Pennington Group. In addition, CIR also provides the associated persons of

Wilshire-Pennington Group, and therefore the Wilshire-Pennington Group, with back-office operational, technology, and other administrative support.

Trade Errors

We have implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and we will absorb any loss resulting from the trade error if the error was caused by the firm. If the error is caused by the broker-dealer, the broker-dealer will be responsible for covering all trade error costs. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should also receive the gains and it is not permissible for all clients to retain the gain. We may also confer with clients to determine if the client should forego the gain (e.g., due to tax reasons).

We will never benefit or profit from trade errors.

Aggregation of Client Orders-Block Trading Policy

We generally aggregate (or bunch) trades when executing transactions for our various clients. Aggregation is more often undertaken in firms processing large orders of securities in order to realize more effective trade execution and the cost efficiencies that come from executing larger order sizes. Therefore, the fees associated with services may be higher or lower than at other financial institutions. Clients are encouraged to discuss any questions that may arise regarding investment policies throughout the course of our engagement. Additionally, clients are welcome to utilize a financial services provider of their choice if executing their own securities transactions. However, if the selected service provider chosen is not among the Adviser's affiliated broker/dealer's approved list of service providers, our advisory representatives may not participate in these transactions.

As previously disclosed, the Third Party Advisors selected by clients are responsible for trading activities in their respective program(s). However, as the client's Adviser, we acknowledge our responsibility to monitor the services and investment performance of the TPA platforms that we recommended

Item 13 – Review of Accounts

Account Reviews and Reviewers

Investment management is an ongoing service and involves frequent monitoring and review of portfolio assets. No other services offered by us include reviews unless specifically provided for in the Client Agreement. Portfolios are generally reviewed no less than quarterly, however reviews could also occur at the time of new deposits, material changes in the client's financial conditions, as requested by the client and at our discretion. We will review the underlying portfolio assets, current market conditions, investment results, asset allocation, manager performance, etc., to ensure investment strategy and expectations continue to meet the client's stated goals and objectives. In the case of mutual funds, we will review economic changes and fund performance in and out of each particular fund and how it relates to the

industry and to the market in general, adherence to style, equity style box and any fund management changes. We encourage frequent client contact. However, clients are obligated to promptly notify us of any changes in the client's financial status to ensure our investment strategies continue to meet the client's changing needs. All decisions and account reviews are performed by Advisory Representatives under the direction of B. Daniel Kennedy, President or Amber Eduvigen, Chief Compliance Officer of Wilshire-Pennington Group, Inc.

Statements and Reports

The custodian for the individual client's account also provides the client with an account statement at least quarterly, and depending on the account custodian, the client may be able to view the account online via the Internet. For clients whose funds are held directly with mutual fund companies, they will receive periodic account statements directly from the fund companies.

Wilshire Pennington Group may prepare various reports relating to services, and post meeting communications at our discretion, or if agreed to at engagement.

You are urged to compare the reports and other communications provided by Wilshire-Pennington Group against the account statements you receive directly from your account custodian.

Item 14 – Client Referrals and Other Compensation

ADDITIONAL COMPENSATION

Wilshire-Pennington Group does not directly or indirectly compensate anybody for client referrals,

As noted previously, as Cambridge Investment Research registered representatives we utilize the custodial services of NFS and Fidelity. While there is no direct linkage between the investment advice given and the participation in the custodians' service programs, economic benefits are received which would not be otherwise, if we did not give advice to clients.

We may have the opportunity to receive traditional "non-cash benefits" from the custodian such as customized statements; receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk servicing advisory program 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 accounts; access (for a fee) to an electronic communication network for client order entry and account information; access to mutual funds which generally require significantly high minimum initial investments or those that are otherwise only generally available to institutional investors; reporting feature; receipt of regulatory compliance communications; and perhaps discounts on business-related products.

Computer real-time software may be purchased through custodial service providers or independent companies to facilitate sending and receiving account information. Advisory Representatives are not Registered Representatives of NFS, Pershing or Fidelity. We have no written or verbal arrangements whereby we receive soft dollars.

Wilshire-Pennington Group's associated persons, in their separate capacities as Cambridge Investment Research registered representatives, may receive commissions from the execution of securities transactions. In addition, associated persons may receive 12b-1 fees from certain mutual fund companies as outlined in the fund's prospectus. 12b-1 fees come from fund assets, therefore, indirectly from client assets. The receipt of such fees could represent an incentive for the associated persons to recommend funds with 12b-1 fees over funds that have no fees or lower fees. As a result, there is a potential conflict of interest. When managing ERISA and qualified accounts, Wilshire-Pennington Group will lower or offset its management fee by the amount of 12b-1 fees and other commissions received in the event such types of compensation are received by Wilshire-Pennington Group's associated persons in their individual capacities as registered representatives of CIR.

Wilshire-Pennington Group's associated persons that are licensed as insurance agents may receive commissions and other incentive awards for the recommendation/sale of annuities and other insurance products. The receipt of this compensation may affect the judgment of Wilshire-Pennington Group's associated persons when recommending products to its clients.

While Wilshire-Pennington Group's associated persons endeavor at all times to put the interest of the clients first as a part of Wilshire-Pennington Group's fiduciary duty, clients should be aware that the receipt of commissions and additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

Certain product sponsors may provide Wilshire-Pennington Group with other economic benefits as a result of sales activities directed to them, including but not limited to, financial assistance or the sponsorship of conferences and educational sessions, marketing support, incentive awards, payment of travel expenses, tools to assist Wilshire-Pennington Group in providing various services to clients such as reporting programs and portfolio analysis and direction of brokerage transactions to Wilshire-Pennington Group's associated persons' broker-dealer.

Prior to the acceptance of or delivery of any consideration, Advisory Representatives must be provided authorization and approval from our Chief Compliance Officer. A record will be maintained of all considerations received for review by clients and regulatory bodies upon request.

The only form of other compensation received from advisory services is the fees charged for providing investment advisory services as described in Item 5 of this brochure. We receive no other forms of compensation in connection with providing investment advice.

Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented.

Wilshire Pennington Group is deemed to have custody of client funds and securities whenever Wilshire Pennington Group is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody Wilshire Pennington Group will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which Wilshire Pennington Group is deemed to have custody, the firm has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Wilshire Pennington Group. When clients have questions about their account statements, they should contact Wilshire Pennington Group or the qualified custodian preparing the statement.

Item 16 – Investment Discretion

INVESTMENT AUTHORITY

We may maintain limited power of attorney to execute trades and discretionary trading authority as evidenced by the Engagement Letter or Client Agreement. When discretionary trading authority is granted to us, without prior consultation with the client, we may (a) buy, sell, exchange, convert and otherwise trade in any stocks, bonds and other securities including money market instruments, and (b) place orders for the execution of such transactions with or through such brokers, dealers, or issuers as we may select. We do not have authority to withdraw funds or securities and will not take custody of your assets, with the exception of the ability to deduct investment advisory fees via a qualified custodian with the proper client authorization. Clients retain the authority to vote proxies and are responsible for ensuring that all proxy materials are sent directly to them or their designated representative(s).

If you decide to grant trading authorization only on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if you are not able to be reached or are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

All clients have the ability to place reasonable restrictions on the types of investments that may be purchased in an account. Clients may also place reasonable limitations on the discretionary power granted to our firm so long as the limitations are specifically set forth or included as an attachment to the client agreement.

Item 17 – Voting Client Securities

We do not perform proxy-voting services on a client's behalf. Clients are instructed to read through the information provided with the proxy-voting documents and to make a determination based on the

information provided. Upon request from the client, we may provide limited clarifications of the issues presented in the proxy voting materials based on our understanding of issues presented in the proxy-voting materials. However, the client will have the ultimate responsibility for making all proxy-voting decisions.

Clients will receive proxies directly from their custodian or transfer agent and such documents will not be delivered by our firm. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact us.

Item 18 – Financial Information

This item is not applicable to this brochure. We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, we have not been the subject of a bankruptcy petition at any time.

PRIVACY POLICY

Wilshire-Pennington, as a Registered Investment Advisory Firm, is covered under the definition of a “financial institution” under the Gramm-Leach-Bliley Act and in conjunction with State privacy rules. We are therefore subject to the rules relating to privacy protection. The privacy rules require every broker, dealer, Investment Company, and registered investment adviser to adopt policies and procedures reasonably designed to safeguard customer records and information. Advisers must disclose if nonpublic personal information is shared with unaffiliated third parties and provide clients the ability to opt out of information sharing. We maintain compliance under the Act.

The types of information we may collect during the normal course of business may include: information provided from applications, forms and other information provided to us either verbally or in writing, and include but are not limited to your name, address, phone number, account information, social security number, employment, assets, income and debt; information about your transactions, accounts, trading activity and parties to transactions; beneficiary and health information (for insurance); information from other outside sources and any other information that is deemed to be nonpublic personal information as defined by the Gramm-Leach-Bliley Act and State privacy rules.

Our staff realizes that providing personal information is an act of trust and takes the issue of protecting privacy seriously. We value our clients’ trust and confidence. We will never sell the nonpublic personal information we obtain from consumers or clients.

All information provided by clients to us, (including our staff), and information and advice furnished by us to clients, shall be treated as confidential and shall not be disclosed to non-affiliated third parties, except as permitted by clients with written authorization, by application to facilitate the investment advisory services offered by us via an unaffiliated financial services provider, by client’s application to facilitate insurance services through an unaffiliated insurance company, or as required by law, any rule or regulation of the regulatory or self-regulatory organization (or supervisory authority) to which Wilshire-Pennington and its staff may be subject.

Our policy to protect client information extends beyond the termination of the engagement letter or client agreement. Client data is scanned into electronic records, which are kept within a secure computer network. Client information is retained for the time period required by regulators and is then safely destroyed via in-house shredding.

Consumers who provide nonpublic personal information to us but never become clients also receive privacy protection. Original information received will be promptly returned to the consumer. Copies of information received may be maintained on file for up to a year and thereafter it is safely destroyed via in-house shredding.

We maintain client and consumer records in a controlled environment and records are only available to authorized persons of ours who have a need to access client information in order to deliver advisory or administrative services, or as needed to respond to client requests. Clients are encouraged to discuss any questions regarding our privacy policies and procedures directly with B. Daniel Kennedy, President and Chief Compliance Officer of the Adviser.

DISASTER/CONTINGENCY PLAN

Our development and maintenance of a Disaster/Contingency Plan ("DCP") is required by securities rules and regulations. The DCP provides us with a plan to address disaster recovery and business continuity issues. The primary objective of our DCP process is to provide us with a documented plan that will permit an efficient and timely resumption of business operations in the event of an interruption, in order to ensure the continuity of business for its clients.

We are reasonably prepared to continue its operations in the event of a disaster. Clients of ours can expect that our phone lines, in the event of a service interruption, will forward to operational lines via the same or an alternate service carrier. Communication is also possible via e-mail or cellular phone services. We have identified alternate office locations it may utilize, if needed, and the practice can be operational within a short period of time. Our records are backed up electronically and in duplicate (the second copy is retained off-site in a secure location). We do not custody client assets, therefore, access to accounts will still be available via the clients' custodial services provider(s). If clients should have any questions or concerns with regard to our Disaster/Contingency preparedness, they are welcome to contact B. Daniel Kennedy, President..

Information Required by Part 2B of Form ADV: *Brochure Supplement – B. Daniel Kennedy*

The following are responses to each item found in the Form ADV Part 2B instructions.

Item 1 – Cover Page

B. Daniel Kennedy
Wilshire-Pennington Group, Inc.
3129 NW 63rd Street
Oklahoma City, OK 73116
(405)751-8600

This brochure supplement provides information about B. Daniel Kennedy that supplements this Disclosure Brochure. Please contact Wilshire Pennington Group, Inc. if you have any questions about the contents of this supplement.

Additional information about B. Daniel Kennedy is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Educational Background and Business Experience

Benjamin Daniel Kennedy, President Born: 1950

Education Background

Oklahoma State University, Stillwater OK, B.S. in Business Finance - 1975

Certified Insurance Counselor** (CIC) - 2003

**** The Certified Insurance Counselors (CIC) designation is sponsored by the National Alliance for Insurance Education & Research. The program consists of five institutes (or courses) Agency Management, Commercial Casualty, Commercial Property, Life & Health and Personal Lines. Each institute offers 20 hours or 2 ½ days of classroom instruction followed by a two-hour exam with a minimum passing grade of 70%. Candidates must successfully complete all five institutes and pass all five examinations within five calendar years. Candidates must also attend at least one continuing education session annually to maintain the CIC designation.**

Business Experience

Wilshire-Pennington Group, Inc., Oklahoma City, OK President and Investment Advisor Representative	1996 – Present
Cambridge Investment Research, Inc., Fairfield, IA Registered Representative	2005 – Present

Item 3 – Disciplinary Information

As previously stated in Item 9 of this Disclosure Brochure, While the Wilshire-Pennington Group does not believe the matter will significantly impact the firm we feel that it in order to meet our regulatory disclosure requirements it is important to disclose that in March 2010, our company President and principal owner, B. Daniel Kennedy was named as a defendant in a civil action in District Court in Oklahoma (Case Number CJ-2010-5400). The complaint seeks damages in excess of \$1 million and alleges that Mr. Kennedy persuaded the claimant to participate in a 419 Plan (A type of employer-sponsored employee welfare benefit plan) that did not meet the established Tax Code requirements. Mr. Kennedy denies all of the allegations in that he did not make the recommendation to the client and was not involved in providing tax advice. Tax advice was provided by outside legal counsel procured by Xelan, Inc. Mr. Kennedy was an employee of Xelan. The matter is still pending.

Item 4 – Other Business Activities

Please see Item 10 and Item 19 of this Disclosure Brochure for details regarding my other business activities.

Item 5 – Additional Compensation

Other than the fees detailed in Item 5 of this Disclosure Brochure, I receive no other compensation related to advisory services provided to clients.

Item 6 – Supervision

B. Daniel Kennedy is the President and CEO of Wilshire Pennington Group, Inc. and ultimately responsible for the firm's compliance program including establishing procedures designed to monitor and supervise the activities and services provided by the firm and its supervised persons. Mr. Kennedy's phone number (405)751-8600.