

# Kaydan Wealth Management, Inc.

SEC # 801-54788  
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*This brochure provides information about the qualifications and business practices Kaydan Wealth Management, Inc., and its supervised personnel. If you have any questions about the contents of this brochure, please contact us at the phone number listed above. 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. Please note, where this brochure may use the terms "registered investment adviser" and/or "registered," registration itself does not imply a certain level of skill or training. Additional information about the firm and its representatives is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)*

## Item 2: Material Changes

There are no material changes to report since our last brochure filing on December 1, 2011.

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## **Item 4: Advisory Business**

Established in 1996 by President James B. Kruzan, Kaydan Wealth management, Inc. (“Kaydan”) is a Michigan corporation.

Kaydan provides financial planning services, including retirement planning solutions, 401(k) asset allocation/monitoring, and career transition consulting for business executives. Kaydan also provides portfolio management services (or investment management services) as described more fully below.

### ***Financial Planning Services***

Kaydan provides financial plans that are based on the individual client’s financial, risk/reward objectives and tax status. The financial plans may be comprehensive or segmented. Typical planning engagements include:

- Planning for retirement;
- Planning for capital needs;
- Education funding; and
- Income and estate tax planning.

Kaydan’s financial planning services typically involve the review of a client’s overall financial situation, personal and financial goals, risk tolerance and objectives.

### ***Retirement Check-Up™***

Kaydan provides a comprehensive approach to the retirement planning. The retirement checkup service includes a detailed retirement analysis, personalized risk tolerance profile and our Asset Tracker™ (Asset Monitoring Services). Asset Monitoring Services are conducted on an ongoing basis.

### ***Asset Tracker™***

Kaydan provides a quarterly assessment of the current economic environment and realigns the portfolio if necessary to take advantage of the present investment climate.

### ***Executives in Transition***

Kaydan provides consulting services to corporate executives on a variety of issues including executive benefit programs and retirement plans. Such services may be brief or comprehensive in nature and include ongoing meetings and assessments, reporting and other functions.

Kaydan’s Asset Monitoring Services include an assessment of the client’s specific investment goals, objectives, risk tolerances as distinguished from those of other clients, including all relevant financial data (including, employment, income, tax bracket, family obligations, etc.). As of December 31, 2011, Kaydan had \$39,250,856 in non-discretionary assets under management.

## **Item 5: Fees and Compensation**

### **Fees for Financial Planning Services:**

Fees for financial planning services are provided on a flat fee, hourly rate or part of a quarterly retainer fee. Flat fees can range from \$750.00 to \$5000.00. Hourly fees range from \$75.00 to \$550.00 per hour. In both cases, fees are dependent on the scope of the project. One half of the fee is due at the engagement of the project with the balance due at the completion of the project. Quarter retainer fees are billed in arrears and range from \$75.00 to \$750.00 – quarterly depending on the scope of the project. No fee is paid more than six months in advance.

### **Retirement Check-Up™**

Fees are based on assets under advisement. The fee is .40% of the assets under advisement with a minimum fee of \$365.00 per year and a maximum fee of \$1,500.00 per year.

The \$365.00 fee is payable at initial engagement with the balance due in three equal installments which will be billed at the end of each quarter. No fee is paid more than six months in advance.

### **Asset Tracker™ (Asset Monitoring Services)**

Kaydan charges a flat fee of \$365.00 per year for its Asset Tracker™ services. The fee will be billed quarterly in arrears. The quarterly fee (\$91.25) will be due at the time the agreement goes into effect. During the second and subsequent quarters, KWM invoices for services already rendered. As such, the invoice becomes due the date the bill is received. The fee relates to a single investment account. Multiple accounts can be added to the quarterly review process for an additional quarterly fee of \$17.50 per investment account.

If a client is participating in a brokerage link offered by the employer as part of their 401(k) plan, KWM offers management services for those investments for a fee based on the assets under management. The management service applies only to mutual funds and securities of a similar nature within the client brokerage link account.

Fees are based on assets under advisement. The fee is .40% of assets under advisement with a minimum fee of \$365.00 per year and a maximum fee of \$1,500.00 per year. The \$365.00 fee is payable at the time of the initial engagement with the balance due in three equal installments which will be billed at the end of each quarter. No fee is paid more than six months in advance.

#### **General Information on Retirement Check-Up™ and Asset Tracker™**

1. All client accounts are invested in mutual funds, index and exchange-traded funds, stable value accounts (or similar securities). These securities carry additional fees and expenses (including advisory fees) that are charged in addition to Kaydan's fees. As a result, clients should evaluate all fees to ensure that the services received are reasonable from a total cost perspective.
2. Kaydan's fees may be negotiated.

#### **Fees for Executives in Transition consulting:**

The firm will charge a fixed fee ranging from \$750.00 to \$7500.00 depending on the scope of the project or hourly at \$75.00 to \$550.00 per hour-also depending on the scope of the project. One half of the fee is due at the engagement of the project with the balance due at the completion of the project.

Kaydan may also offer ERISA compliant educational workshops. Fixed fees for workshops will run between \$90.00 and \$2,500.00 depending on the complexity and comprehensiveness of the topic discussed and the length of the presentation period. Clients should also note that certain investment and insurance companies pay service fees to registered personnel for their part in servicing the investment post-sale. Again, the receipt of such compensation may invite the potential for conflict of interest. To counter any unfair or inappropriate activity, the firm has adopted a Code of Ethics. Please see Item 11 below.

**Termination of Advisory Relationship:** A client agreement may be cancelled at any time, by either party, for any reason upon receipt of 30 days written notice. Upon termination of any account, all unearned/unapplied fees will be promptly refunded and any earned, unpaid fees will be due and payable. All fees remain negotiable.

#### **Item 6: Performance-based fees and Side-by-Side Management**

Kaydan does not charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the client's assets).

#### **Item 7: Types of Clients**

Kaydan provides financial planning and related portfolio monitoring services for individuals. The firm does not require clients to maintain a minimum amount of assets.

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

Kaydan's investment approach is fundamental and most investments are in mutual funds or fixed/fixed indexed and/or variable annuity products. Fundamental analysis is defined as a general assessment based upon various factors including sale price, asset value, market structure and history. The main sources of research information used by Kaydan include: financial newspapers and magazines, research materials prepared by others, annual reports, prospectuses, filings with the SEC and company press releases.

All investments carry an inherent risk of loss that clients should be prepared to bear. Questions regarding these risks should be addressed to firm president James Kruzan directly.

#### **Item 9: Disciplinary Information**

Rule 206(4)-4 of the Investment Advisers Act of 1940 requires investment advisers to provide clients with disclosure as to any legal or disciplinary activities deemed material to the client's evaluation of the adviser. There is reporting available as to a customer complaint against the firm's principal, James Kruzan. However, no disciplinary action was taken. Please contact the firm directly for further information or visit the SEC's Investment Adviser Public Disclosure website for a review of same.

#### **Item 10: Other Financial Industry Activities and Affiliations**

Kaydan's President James B. Kruzan is separately licensed as a registered representative ("RR") and an investment adviser representative ("IAR") with Raymond James Financial Services, Inc. ("RJFS") a FINRA registered broker-dealer and a SEC registered investment adviser. In his capacity as a registered representative, Mr. Kruzan is eligible to receive commission-based compensation. He will also receive compensation for his service as an IAR. All such compensation is in addition to that earned from Kaydan. Mr. Kruzan spends less than 5% of his time selling insurance products and acting as a RR and IAR.

Mr. Kruzan is also a licensed insurance agent appointed by various insurance carriers, including Prudential, John Hancock and Blue Cross Blue Shield. In this capacity he is licensed in various states, (including Michigan) to sell or exchange insurance products (for clients) or for RJFS clients on a commission-basis.

Insurance sold to and bought by the client shall be considered a separate asset. Because assets such as insurance policies charge a commission, they will not be included in the overall assets under management used to calculate advisory fees.

Clients should note that receipt of additional compensation itself serves to invite the potential for conflict of interest. However, clients are under no obligation to act upon any recommendation of Mr. Kruzan. Clients are also under no obligation to utilize the brokerage, extra-advisory, or insurance services of Mr. Kruzan in his capacity as an affiliate of RJFS.

Kaydan also offers ERISA compliant educational workshops. Fixed fees for workshops will run between \$90.00 and \$2,500.00 depending on the complexity and comprehensiveness of the topic discussed and the length of the presentation period. Clients should also note that certain investment and insurance companies pay service fees to registered personnel for their part in servicing the investment post-sale. Again, the receipt of such compensation may invite the potential for conflict of interest. To counter any unfair or inappropriate activity, the firm has adopted a Code of Ethics. Please see Item 11 below.

#### **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

**Code of Ethics:** Where the firm may receive compensation from a variety of sources involved with client accounts. The firm has an obligation to ensure that such practices are handled in a fair and ethical manner. Accordingly, the firm has adopted a Code of Ethics which contains certain policies and procedures that must be adhered-to by firm personnel. A copy of the firm's Code of Ethics will be provided to any client upon request.

**Participation or Interest in Client Transactions:** Kaydan or related persons, from time to time, purchase and sell, for their own personal accounts, securities identical to those recommended. To the extent that this practice creates a conflict of interest, firm personnel are prohibited from engaging in any activity is detrimental to a client's account. Firm personnel are required to acknowledge this policy within the firm's code of ethics.

#### **Item 12: Brokerage Practices**

As a registered representative of RJFS, Mr. Kruzan maintains the ability to manage client accounts held at RJFS. Accordingly, he will recommend RJFS to clients based upon his experience with the firm and his knowledge of its practices. Although Mr. Kruzan is deemed to have incentive to make such recommendations (see items 10 & 11 above), he is also readily familiar with the firm's operational capabilities. However, clients should note that similar brokerage services may be found elsewhere for less cost. In such cases, Mr. Kruzan may not be able to service said accounts. Pursuant to his registered standing with RJFS, Mr. Kruzan may be restricted from working with broker-dealers other than RJFS. Questions regarding this arrangement may be addressed with Mr. Kruzan directly.

In servicing client accounts, Mr. Kruzan may obtain or have access to various research, products, goods and other services as provided by RJFS. However, at no time will Mr. Kruzan cause a client's account to pay for such services in accordance with a soft dollar arrangement. All research, products, and other services are used for the benefit of all accounts where applicable. Clients are encouraged to review all disclosure materials and statements for a full understanding of services and any associated costs. Questions related to same may be addressed with Mr. Kruzan directly.

#### **Item 13: Review of Accounts**

Portfolio monitoring of accounts takes place at least quarterly by the firm President James Kruzan. The computer system employed by the firm tracks the performance of a number of asset allocation model portfolios. Should an adjustment need to be made, Kaydan instructs clients in writing, in person, or through a personal conference call as to the specific changes needed. Clients are requested to notify the firm of changes to their personal financial situation-especially those that might adversely affect their investment plan. Portfolio and/or Retirement Analysis reports are available to the client at time of client review meeting.

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

Kaydan does not compensate others for client referrals. As mentioned previously in Item 10, James B. Kruzan is a licensed insurance agent and a registered representative of Raymond James Financial Services, Inc. Accordingly, Mr. Kruzan receives commission-based income for his work with same. As a firm, Kaydan also offers ERISA compliant educational workshops. Fixed fees for workshops will run between \$90.00 and \$2,500.00 depending on the complexity and comprehensiveness of the topic discussed and the length of the presentation period.

### **Item 15: Custody**

Kaydan does not maintain or accept custody of client funds or securities. All accounts assets are held under custody by a qualified custodian of record.

### **Item 16: Investment Discretion**

Kaydan does not exercise investment discretion.

### **Item 17: Voting Client Securities**

Kaydan does not vote proxies. All proxy statements are sent directly to the client by the broker-dealer, investment company, or transfer agent of record. Questions regarding such statements may be addressed directly with the firm.

### **Item 18: Financial Information**

By law, investment advisers are required to disclose certain financial information about their financial condition to clients. Kaydan maintains no financial commitment (lawsuits, bankruptcies, etc.) that might impair its ability to meet contractual and fiduciary commitments to clients.

### **Item 19: Requirements for State Registered Advisers**

Please see ADV Part 2B for information relative to the identity, education and business background of Kaydan's investment adviser representatives and management persons.

Please see Item 10 of this Brochure for information concerning other business activities of Mr. Kruzan.

As of the date of this Brochure, neither Kaydan nor its management persons have been the subject of any arbitration claim, or civil, regulatory, or administrative proceeding.

### **Miscellaneous: Additional Information**

**Privacy:** Kaydan prohibits the sharing of any client information with others unless authorized by the client or as otherwise provided by law. A copy of the firm's privacy policy may be obtained upon request.

**Business Continuity:** In the event of a disruption to the normal course of business, Kaydan has formulated plans to counter extended delays in service. A copy of the firm's business continuity plan may be obtained upon request.

# Kaydan Wealth Management, Inc.

***James B. Kruzan***  
President/Chief Compliance Officer/Representative  
CRD#1094690

***Christine N.W. Denham***  
Director of Planning and Portfolio Analytics/Representative  
CRD#4869045

Firm SEC# 801-54788  
Firm CRD# 108964

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*This brochure supplement provides information about James B. Kruzan and Christine N.W. Denham that supplements the Kaydan Wealth Management, Inc. Brochure. You should have received a copy of that Brochure. Please contact us at the telephone number or email address listed on this cover page if did not receive Kaydan Wealth Management, In.'s Brochure or if you have any questions about the contents of this supplement.*

## Item 2: Educational Background and Business Experience

**Name:** James B. Kruzan, President and CCO  
**Year Born:** 1959  
**Education:** Wayne State University, 1982  
Certified Financial Planner™ (CFP®)\* 1995  
Chartered Retirement Planning Counselor (CRPC)\*\* 2010

**Business Experience:**  
1996 to Present Kaydan Wealth Management, Inc., President and CCO  
1987 to Present Raymond James Financial Services (formerly Investment Management & Research), Registered Representative  
1985 to 1986 Prudential Bache, Registered Representative

## Item 3: Disciplinary Information

There is reporting available as to a customer complaint against the firm's principal, James Kruzan. However, no disciplinary action was taken. Please contact the firm or Mr. Kruzan directly for further information. Clients may also visit the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) for a review of same.

## Items 4 & 5: Other Business Activity and Additional Compensation

James B. Kruzan is a licensed insurance agent, registered representative (RR) and an investment adviser representative (IAR) of Raymond James Financial Services, Inc. As a licensed insurance agent and RR, he will receive commission income on the sale of such products. He will also receive compensation for his service as an IAR. Mr. Kruzan spends less than 5% of his time selling insurance products and acting as a RR and IAR.

## Item 6: Supervision

Mr. Kruzan is the President and CCO of the firm and maintains the responsibility to supervise its ongoing operation. This supervision extends to the ongoing review of the firm's business practices and monitoring the advice given to clients. Questions related to the operation of the firm may be directed to Mr. Kruzan at the phone number listed on the cover of this brochure supplement.

## Item 7: Requirements for State Registered Advisers

Mr. Kruzan is not subject to any previously undisclosed legal or financial event history. Please Item 3 of this brochure supplement for further information.

\*

## Item 2: Educational Background and Business Experience

**Name:** Christine N.W. Denham, Representative.  
**Year Born:** 1981  
**Education:** University of Tulsa, BS & MS.  
Certified Financial Planner™ (CFP®)\*

**Business Experience:**  
08/2011 to Present Kaydan Wealth Management, Inc., Director of Planning and Portfolio Analytics/Representative  
01/2009 to Present Raymond James Financial Services, Registered Representative/Investment Adviser Representative  
05/2004 to Present Core Consulting Group, Sales/Marketing Agent

## Item 3: Disciplinary Information

Ms. Denham has no information responsive to this Item.

## Items 4 & 5: Other Business Activity and Additional Compensation

Ms. Denham is a sales and marketing agent for a health and wellness company (Core Consulting Group). This firm provides health-related supplements and other products. She is compensated for her work on a part time basis. She is also employed by Raymond James Financial Services as a registered representative and an investment adviser representative. Her position with Raymond James allows her to draw additional fee and commission based income.



#### **Item 6: Supervision**

Ms. Denham's duties are subject to the supervision of Mr. Kruzan. Mr. Kruzan is the President and CCO of the firm and maintains the responsibility to supervise its ongoing operation. This supervision extends to the ongoing review of the firm's business practices and monitoring the advice given to clients. Questions related to the operation of the firm may be directed to Mr. Kruzan at the phone number listed on the cover of this brochure supplement.

#### **Item 7: Requirements for State Registered Advisers**

Ms. Denham is not now, nor has she ever been subject to any legal, financial, regulatory, or otherwise reportable event history.

\*To become CFP® certified, an individual is required to meet the following four initial certification requirements:

### ***Education***

To take the CFP® Certification Examination, an individual must be knowledgeable in all of areas covered by the financial planning, as established by the CFP Board. There are three ways to complete the educational requirement: CFP Board-Registered Programs, Challenge Status or Transcript Review. Candidates for certification must have a bachelor's degree (or higher), or its equivalent, in any discipline, from an accredited college or university.

### ***Examination***

Individuals are eligible for the CFP® Certification Examination upon satisfying the educational requirements. The CFP® Certification Examination assesses the individual's ability to apply financial planning knowledge in an integrated format to financial planning situations.

### ***Experience***

CFP Board requires an individual to have three years of full-time relevant personal financial planning experience.

### ***Ethics***

CFP® certification also requires each individual to adhere to CFP Board's *Code of Ethics and Professional Responsibility, Rules of Conduct and Financial Planning Practice Standards*, and acknowledge CFP Board's right to enforce them through its *Disciplinary Rules and Procedures*.

### **Remaining CFP® Certified**

#### ***Certification Renewal***

Individuals must complete 30 hours continuing education every two years, including 28 hours devoted to accepted financial planning topics and two hours from a pre-approved program of CFP Board's Standards of Professional Conduct.

\*\***CRPC®** is a professional designation awarded by the College for Financial Planning to individuals who complete a year study program and pass a final multiple-choice examination.

The program to become a CRPC covers the entire retirement planning process, including meeting multiple financial objectives, sources of retirement income, personal savings, employer-sponsored retirement plans, income taxes, retirement cash flow, asset management, estate planning and more.

Every two years, CRPC professionals must complete 16 hours of continuing education and pay a small fee.