

## **WALT ST Investment Management, Ltd. (“WSIM”)**

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[6/1/2012](#)

### **FORM ADV PART 2 BROCHURE**

This brochure provides information about the qualifications and business practices of WSIM. If you have any questions about the contents of this brochure, please contact us at 2824 Sweet Flag Way, Stow, Ohio 44224, (330) 677-1950. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about WALT ST Investment Management, Ltd is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for WALT ST Investment Management, Ltd. is 109339.

WALT ST Investment Management, Ltd. is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

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## **Item #2    Material Changes**

This is our annual update of Form ADV Part 2A. There **are no material changes from our last annual updated** which was completed on March 30, 2011. The only change made in this Brochure is an update of our assets under management in Item #4.

Consistent with current regulations, we will ensure that all clients of WALT ST Investment Management, Ltd. receive a summary of any material changes to this and subsequent Brochures within 90 days of our business' year end. Furthermore, we will provide all clients with other interim disclosures about material changes as necessary. These documents are provided without charge at any time by contacting us at 330-677-1950.

## **Advisory Business**

Form ADV Part 2A, Item 4

### **A. DESCRIPTION OF OUR ADVISORY FIRM**

We are dedicated to providing clients with investment advisory services as they relate to private portfolio management. Our firm is a limited liability corporation formed in the State of Ohio on November 5, 1998. WSIM was approved as a Securities and Exchange Commission (SEC) Registered Investment Advisor (RIA) on 12/18/1998. Being a SEC registered RIA does not imply a certain level of skill or training. WSIM is 100% owned by Jennifer K. Sokira.<sup>1</sup>

### **B. DESCRIPTIONS OF TYPES OF ADISORY SERVICES WE OFFER**

WALT ST Investment Management, Ltd. (hereinafter "WSIM") manages money for client's accounts using stocks, bonds, exchange traded funds (ETFs), mutual funds, options, cash equivalents and other public and private securities of investments.. WSIM emphasizes continuous and regular account supervision. The client's individual investment strategy is tailored to their specific needs and may include all or some of the previous mentioned securities. Each account will be initially designed to meet a particular investment goal, which we determine to be suitable to the client's circumstances. Investment Supervisory Services/Portfolio Management: WSIM performs continuous reviews of client accounts. Each account has the opportunity to place reasonable restrictions on the type of investments to be held in the portfolio.

As a matter of practice, the decision-making process is an internal process established by the Managing Member of WSIM, Walt Sokira, with the ongoing input of team members. WSIM does not have scheduled meetings to discuss investment decisions. Investment decisions are part of an ongoing process with continuous, dynamic discussion among all investment professionals at our firm. Mr. Sokira and all portfolio management team members work closely together in all aspects of research and account management. Mr. Sokira applies the tools of fundamental and technical research with a heavy emphasis on valuation. More frequent reviews of any or all managed accounts may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

### **C. INDIVIDUAL TAILORING OF ADVICE & CLIENT'S ABILITY TO PLACE RESTRICTIONS**

Account supervision and money management is guided by the stated objectives and standard portfolio strategy of the client. Clients are offered standard portfolio strategies which include growth, balanced and conservative. Clients can also customize their stated objective and portfolio strategy.

We allow clients to place reasonable restrictions on investing in certain securities or types of securities. We also attempt to accommodate reasonable preferences and constraints.

### **D. WRAP FEE PROGRAMS**

We do not offer or participate in any wrap-fee program.

### **E. CLIENT ASSETS WE MANAGE ON A DISCRETIONARY BASIS & NON-DISCRETIONARY BASIS**

We manage<sup>2</sup> \$34,798,000 on a discretionary basis and \$0.00 on a non-discretionary basis as of March 30, 2012.

<sup>1</sup> Notes: (1) For purposes of this item, our principal owners include the persons we list as owning 25% or more of your firm on Schedule A of Part 1A of Form ADV (Ownership Codes C, D or E). <sup>2</sup> Notes: (2) Our method for computing the amount of "client assets you manage" can be different from the method for computing "assets under management" required for Item 5.F in Part 1A. However, we have chosen to use the same method to compute "client assets we manage." The amount of assets we manage may be rounded to the nearest \$100,000. Our "as of" date is not be more than 90 days before the date we last updated our brochure in response to this Item 4.E, of Form ADV Part 2A.

## **Fees and Compensation**

Form ADV Part 2A, Item 5

We are required to describe our management, brokerage, custody fees and fund expenses so you will know how much you are charged and by whom for our advisory services provided to you.

### **A. DESCRIPTION OF HOW WE ARE COMPENSATED FOR OUR ADVISORY SERVICES**

The annual fee will be charged as a percentage of assets under management according to the schedule below:

	With Investment Consultant/Solicitor	Without Investment Consultant/Solicitor
Private Portfolio Management	2.50%	1.00% - 1.75%

Our fees are billed on a pro-rata basis quarterly in advance on the value of your account based on the last day of the previous quarter.

#### **Example of fee calculation**

<b>Portfolio value</b>	<b>charged at end of quarter</b>	<b>Maximum annual fee</b>
\$10,000	3/31, 6/30, 9/30 or 12/31	2.5%

Portfolio value at end of quarter multiplied by  $\frac{1}{4}$  of the annual fee percentage.  
 $\$10,000 \times (2.50\% \times \frac{1}{4}) = \$10,000 \times .625\% = \$62.50$  for quarter

### **B. WE DEDUCT FEES FROM CLIENT ACCOUNTS**

Our firm's fees are billed on a pro-rata annualize basis quarterly in advance on the value of your account based on the value on the last day of the previous quarter. Fees will generally be deducted automatically from your managed account. As part of this process, you understand and acknowledge the following:

- Your independent custodian sends you statements at least quarterly to you showing all disbursements for your account, including the amount of the fees paid to us;
- You provide authorization permitting us to be directly paid by these terms;
- At your request we will provide an invoice to you. If we provide an invoice to you it should include a legend as required by paragraph (a)(2) Rule 206(4)-2 under the Investment Advisors Act of 1940. This legend states: *We do not offer direct billing as an option to our asset management clients. You are also urged to compare information provided to the statements sent by your independent custodian.*

**C. DESCRIPTION OF OTHER TYPES OF FEES OR EXPENSES YOU MAY PAY IN CONNECTION WITH OUR ADVISORY SERVICES**

You should be aware that all managed assets, including cash and margin balances, will be included in calculation of the total program advisory fee.

Clients will incur transaction charges for trades executed in their account. These transaction fees are separate from our management fees and will be disclosed by the independent custodian executing the trade.

You may pay separate and distinct from the fees and expenses charged by mutual funds, exchange traded funds ("ETFs") and money market funds. The fees and expenses are described in each fund's prospectus. Fees will generally include a management fee, other fund expenses, a possible distribution fee and, on occasion, a contingent early redemption fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge. You could invest in a mutual fund directly, without the services of WSIM. In that case, you would not receive the services provided by WSIM which are designed, among other things, to assist you in determining which mutual fund or funds are most appropriate in your financial condition and objectives. Accordingly, you should review both the fees charged by the funds and the fees charged by WSIM to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

**D. CLIENT'S ADVISORY FEES ARE DUE QUARTELY IN ADVANCE**

We charge our advisory fees quarterly in advance. In the event that you wish to terminate our services we ask for 30 days written notice. Therefore, if you terminate within a calendar quarter we will refund unearned prepaid fees for that quarter. Upon receipt of your letter of termination we will not charge any additional fees in subsequent quarters.

**E. COMMISSIONABLE SECURITIES SALES**

We do not sell any securities in which we earn a commission.

***Performance-Based Fees and Side-By-Side Management***

Form ADV Part 2A, Item 6

We do not charge performance fees to our clients.

***Types of Clients***

Form ADV Part 2A, Item 7

We have the following types of clients:

- Individuals and High Net-Worth Individuals;
- Trust, Estates and Charitable Organizations
- Pension & Profit Sharing Plans
- Corporations, Limited Liability companies and other business types

Our requirements for opening and maintaining accounts or otherwise engaging us:

- We do not require a minimum account balance for asset management services
- We ask for client's to ask questions and become knowledgeable about the work we do for them. We want long-term, mutually beneficial relationships with anyone we work with or for.

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

Form ADV Part 2A, Item 8

### **A. DESCRIPTION OF METHODS OF ANALYSIS AND INVESTMENTS STRATEGIES WE USE IN FORMULATING INVESTMENT ADVISE OR MANAGING ASSETS**

#### Methods of analysis:

- Fundamental
- Technical
- Charting
- Cyclical

#### Investment strategies we use:

##### *We frequently use:*

- Long term purchases (securities held at least a year);
- Short term purchases (securities sold within a year);
- Trading (securities sold within 30 days);

##### *On occasion we use:*

- Short-sales
- Margin transactions
- Option writing, including covered options, uncovered options or spreading strategies;

### **B. OUR PRACTICES REGARDING CASH BALANCES IN CLIENT ACCOUNTS**

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balance through relatively low-risk conservative investments. In most cases, at least a partial cash balances will be maintained in money market accounts so that our firm may debit advisory fees for our services related to comprehensive portfolio management, asset management service and portfolio monitoring as applicable. As mentioned earlier we do charge fees on all cash held in an account.

### **C. RISK ASSOCIATED WITH STOCK MARKET AND BOND MARKET**

**Please Note:** Investing in securities involves risk of loss that you should be prepared to bear. While the stock marketing may increase your account(s) and you could enjoy a gain, it is also possible that the stock market may decrease your account(s) and you could suffer a loss. It is important that you understand the risks associated with investing in the stock market and other capital markets like the bond market. It is also important that you are appropriately diversified in your investments or fully understand the risks if you choose not to diversify. It is important that you ask us any questions you have in this regard.

## ***Disciplinary Information***

Form ADV Part 2A, Item 9

We are required to disclose whether there are any legal or disciplinary events that are material to a client's or a prospective client's evaluation of our advisory business or the integrity of our management. There are a number of specific legal and disciplinary events that we must presume are material for this item. If our advisory firm has been involved in one of these events, we must disclose it under this item for 10 years following the date of the event, unless (1) the event was resolved in our or the management person's favor, or was reversed, suspended or vacated, or (2) the event is not material (see note <sup>3</sup> below). For purposes of calculating this ten year period, the "date" of an event is the date of the final order, judgment or decree was entered, or the date the rights appeal from preliminary orders, judgments or decrees lapsed.

The SEC and State Regulators have not provided us with an exclusive list of material disciplinary events, which need to be disclosed. If our advisory firm or a management person has been involved in a legal or disciplinary event that is not specifically required to be disclosed, but nonetheless is material to a client's or prospective client's evaluation of our advisory business or the integrity of our management, we must disclose the event. Similarly, even if more than ten years have passed since the date of the event, we must disclose if it is so serious that it remains currently material to a client's or prospective client's evaluation of our firm or management.

**We have determined that our firm and management have nothing to disclose under the standard discussed above.**

### ***Other Financial Industry Activities and Affiliations***

Form ADV Part 2A, Item 10

**A. HAS OUR FIRM OR ANY MANAGEMENT PERSON AT OUR FIRM REGISTERED, OR HAVE AN APPLICATION PENDING TO REGISTER, AS A BROKER-DEALER OR A REGISTERED REPRESENTATIVE OF A BROKER-DEALER.**

*We have nothing to disclose in this regard. We are not registered with any broker/dealer and do not plan to register with any broker/dealer.*

**B. HAS OUR FIRM REGISTERED, OR DO WE HAVE AN APPLICATION PENDING TO REGISTER, AS A FUTURES COMMISSION MERCHANT, COMMODITY POOL OPERATOR, A COMMODITY TRADING ADVISOR, OR AN ASSOCIATED PERSON OF THE FOREGOING ENTITIES.**

*We have nothing to disclose in this regard. We are not registered with any futures commission merchant, commodity pool operator or commodity trader or associated person and we do not plan to register with any futures commission merchant, commodity pool operator or commodity trader or associated person.*

**C. DESCRIPTION OF ANY RELATIONSHIP OR ARRANGEMENT THAT IS MATERIAL TO OUR ADVISORY BUSINESS OR TO YOU AS A CLIENT THAT ANY OF OUR MANAGEMENT PERSONS HAVE WITH ANY RELATED PERSON.**

*We have nothing to disclose in this regard. Our firm and management persons have no relationships or agreements that would create a material conflict with any 1. broker-dealer, municipal securities dealer, or 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. insurance company or agency, 9. pension consultant, 10. real estate broker or dealer, 11. sponsor or syndicator of limited partnerships.*

**D. DO WE RECOMMEND OR SELECT OTHER INVESTMENT ADVISERS FOR YOU RECEIVE COMPENSATION DIRECTLY OR INDIRECTLY FROM THOSE ADVISERS THAT CREATES A MATERIAL CONFLICT OF INTEREST, OR IF WE HAVE OTHER BUSINESS RELATIONSHIPS WITH THOSE ADVISERS THAT CREATE A MATERIAL CONFLICT OF INTEREST.**

*We have nothing to disclose in this regard.*



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

Form ADV Part 2A, Item 11

### **A. BRIEF DESCRIPTION OF OUR CODE OF ETHICS PURSUANT TO SEC RULE 204A-1 . ALSO OUR CODE IS AVAILABLE TO YOU UPON REQUEST**

We recognize that the personal investment transactions of members and employees of our firm demand the application of a Code of Ethics and require that all transactions can be carried out in a way that does not endanger the interest of you as a client. At the same time, we believe if investment goals are similar for clients and members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts <sup>3</sup>. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our

Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

### **B. HOW WE WOULD ADDRESS CONFLICTS THAT ARISE IF WE OR A RELATED PERSON RECOMMENDS TO CLIENTS, OR BUYS OR SELLS FOR CLIENT ACCOUNTS, SECURITIES IN WHICH YOU OR A RELATED PERSON HAS A MATERIAL FINANCIAL INTEREST, DESCRIBE YOUR PRACTICE AND DISCUSS THE CONFLICTS OF INTEREST IT PRESENTS.**

See Item 11.A of this Brochure

### **C. HOW WE WOULD ADDRESS CONFLICTS THAT ARISE IN CONNECTION WITH PERSONAL TRADING IF WE OR A RELATED PERSON INVESTS IN THE SAME SECURITIES (OR RELATED SECURITIES, E.G., WARRANTS, OPTIONS OR FUTURES) THAT YOU OR A RELATED PERSON RECOMMENDS TO CLIENTS, DESCRIBE YOUR PRACTICE AND DISCUSS THE CONFLICTS OF INTEREST THIS PRESENTS.**

See Item 11.A of this Brochure

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<sup>3</sup> **NOTES (3):** For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or

executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

## **Brokerage Practices**

Form ADV Part 2A, Item 12

### **A. DESCRIPTION OF THE FACTORS THAT WE CONSIDER IN SELECTING OR RECOMMENDING BROKER-DEALERS FOR CLIENT TRANSACTIONS AND DETERMINING THE REASONABLENESS OF THEIR COMPENSATION (E.G., COMMISSIONS, AND OTHER CHARGES)**

Research and Other Soft Dollar Benefits. If we receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions ("soft dollar benefits"), we are required to disclose our practices and discuss the conflicts of interest they create. Please note that we must disclose all soft dollar benefits we receive, including, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

Our firm has an arrangement with TD AMERITRADE Institutional., a division of TD AMERITRADE, Inc., Member FINRA/SIPC/NFA ("TD AMERITRADE"). Under the arrangement with TD AMERITRADE we receive services which include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support our firm, in conducting business and in serving the best interests of our clients but that may benefit our firm.

- Explanation of when we use 'client brokerage commissions (or markups or . markdowns) to obtain research or other products or services, and how we receive a benefit because our firm does not have to produce or pay for the research, products or services.

As part of the arrangement described in Item 12.A.I, TD AMERITRADE also makes certain research and brokerage services available at no additional cost to our firm. These services include certain research and brokerage services, including research services obtained by TD AMERITRADE directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by TD AMERITRADE to "our firm may include research reports on recommendations or other information about, particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision making; and other products or services that provide lawful and appropriate assistance by TD AMERITRADE to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services are used by our firm to manage accounts for which we have investment discretion. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

- Incentive to select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather, than on our clients' interest in receiving best execution.

As a result of receiving the services discussed in 12.A.I.a of this Firm Brochure for no

additional cost, we may have an incentive to continue to use or expand the use of TD AMERITRADE's services. Our firm examined this potential conflict of interest when we chose

to enter into the relationship with TD AMERITRADE and we have determined that the relationship is in the best interest of our firm's clients and satisfies our client obligations, including our duty to seek best execution. TD AMERITRADE charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). TD AMERITRADE enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. TD AMERITRADE's commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by TD AMERITRADE may be higher or lower than those charged by other custodians and broker-dealers.

- Causing clients to pay commissions for markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying up).

Our non-wrap fee program clients may pay a commission to TD AMERITRADE that is higher than another qualified broker dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

- Disclosure of whether we use soft dollar benefits to service all of our clients' accounts or only those that paid for the benefits, as well as whether we seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

Although the investment research products and services that may be obtained by our firm will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account.

#### Brokerage for Client Referrals.

- If we consider, in selecting or recommending broker/dealers, whether our firm or a related person receives client referrals from a broker/dealer or third party, we are required to disclose this practice and discuss the conflicts of interest it create. **Our firm does not receive brokerage for client referrals.**

#### Directed Brokerage.

- If we routinely recommend, request or require that a client directs us to execute transactions through a specified broker-dealer, we are required to describe our practice or policy. Further, we must explain that not all advisers require their clients to direct brokerage. If our firm and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, we are further required to describe the relationship and discuss the conflicts of interest it presents by explaining that through the direction of brokerage we may be unable to achieve best execution of client transactions, and that this practice may cost our

clients more

- We or any of our firm's related person do not have discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are affected.
- If we permit a client to direct brokerage, we are required to describe our -practice. If applicable, we must also explain that we may be unable to achieve best execution of your transactions. Directed brokerage may cost clients more money. For example, in a directed brokerage account, you may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or you may receive less favorable prices on transactions.

**B. DISCUSSION OF WHETHER, AND UNDER WHAT CONDITIONS, WE-AGGREGATE THE PURCHASE OR SALE OF SECURITIES FOR VARIOUS CLIENT ACCOUNTS IN QUANTITIES SUFFICIENT TO OBTAIN REDUCED TRANSACTION COSTS (KNOWN AS BUNCHING). IF WE DO NOT BUNCH ORDERS WHEN WE HAVE THE OPPORTUNITY TO DO SO. WE ARE REQUIRED TO EXPLAIN OUR PRACTICE AND DESCRIBE THE COSTS TO CLIENTS OF NOT BUNCHING.**

We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as pail of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when we believe that to do so will be in the best interest of the affected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given .situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

***Review of Accounts***

Form ADV Part 2A, Item 13

**A. REVIEW OF CLIENT ACCOUNTS OR FINANCIAL PLANS, ALONG WITH A DESCRIPTION OF THE FREQUENCY AND NATURE OF OUR REVIEW, AND THE TITLES OF OUR EMPLOYEES WHO CONDUCT THE REVIEW.**

As a matter of practice, the decision-making process is an internal process established by the Managing Member of WSIM, Walt Sokira, with the ongoing input of team members. WSIM does not have scheduled meetings to discuss investment decisions. Investment decisions are part of an ongoing process with continuous, dynamic discussion among all investment professionals at our firm. Mr. Sokira and all portfolio management team members work closely together in all aspects of research and account management. Mr. Sokira applies the tools of fundamental and technical research with a heavy emphasis on valuation. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable.

**B. REVIEW OF CLIENT ACCOUNTS ON OTHER THAN A PERIODIC BASIS, ALONG WITH A DESCRIPTION OF THE FACTORS THAT TRIGGER A REVIEW.**

We may review client accounts more frequently than described above. More frequent reviews of any or all managed accounts may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment or requests by the client, etc.

**C. DESCRIPTION OF THE CONTENT AND INDICATION OF THE FREQUENCY OF WRITTEN OR VERBAL REGULAR REPORTS WE PROVIDE TO CLIENTS REGARDING THEIR ACCOUNTS.**

We do not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when we meet with clients who subscribe to our firm's Asset Management services.

***Client Referrals and Other Compensation***

Form ADV Part 2A, Item 14

**A. IF SOMEONE WHO IS NOT A CLIENT PROVIDES AN ECONOMIC BENEFIT TO OUR FIRM FOR PROVIDING INVESTMENT ADVICE OR OTHER ADVISORY SERVICES TO OUR CLIENTS, WE MUST GENERALLY DESCRIBE THE ARRANGEMENT. FOR PURPOSES OF THIS ITEM, ECONOMIC BENEFITS INCLUDE ANY SALES AWARDS OR OTHER PRIZES.**

TD AMERITRADE:

We participate in the TD AMERITRADE Institutional, a division of TD AMERITRADE, Inc., Member FINRA/SIPC/NFA ("TD AMERITRADE"). TD AMERITRADE is an unaffiliated SEC-registered broker-dealer and FINRA member. TD AMERITRADE offers to independent investment advisers' services which include custody of securities, trade execution, clearance and settlement of transactions. We receive some benefits from TD AMERITRADE through its participation in the program.

We consider a number of factors in selecting and/or recommending brokers and custodians for its Clients' accounts, including, but not limited to, execution capability, experience and financial stability, reputation and the quality of services provided. In certain cases, we have obtained the written consent of clients to engage in discretionary trading of securities. Such discretion is limited to the authority to select securities to be bought or sold and/or the amount of securities to be bought or sold. We do not possess the authority without the client's consent to determine the broker or dealer to be used or the commission rates paid. In any event, we often suggest that clients execute trades through TD Ameritrade.

We reasonably believe that in the case of managed accounts, TD AMERITRADE, Inc.'s blend of execution services, commission and transaction costs as well as professionalism allows us to seek best execution and competitive prices. Additionally we believe that in case of financial plan recommendations being implemented, that TD AMERITRADE, Inc.'s blend of execution services, commission and transaction costs as well as professionalism allows us to recommend TD AMERITRADE, Inc. for the establishment of a brokerage account. At all times, financial planning clients are free to execute their plan recommendations through any broker-dealer without the assistance of our firm or its investment advisory representatives. However, our investment authority may be subject to specified investment objectives, guidelines, and/or conditions imposed by the client. For example, a client may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of

transactions in the securities of a specific industry.

**Additional Compensation:**

While we and our associated persons, endeavor at all times to put the interest of the clients first as part of their fiduciary duty, clients should be aware that receipt of additional compensation in itself creates a potential conflict of interest and may indirectly influence our choice of TD AMERITRADE for custody and brokerage services.

There is no direct link between our participation in the program and the investment advice it gives to its Clients, although we receive economic benefits through its participation in the program that are typically not available to TD AMERITRADE retail investors. These benefits include the following products and services provided without cost or at a discount: receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser participants; access to block trading which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts; the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors.

TD AMERITRADE may also have paid for business consulting and professional services received by our related persons. Some of the products and services made available by TD AMERITRADE through the program may benefit us but may not benefit its Client accounts. These products or services may assist us in managing and administering Client accounts, including accounts not maintained at TD AMERITRADE. Other services made available by TD AMERITRADE are intended to help us manage and further develop its business enterprise. The benefits received by us or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD AMERITRADE. As part of its fiduciary duties to clients, we endeavor at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by us or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the our choice of TD AMERITRADE for custody and brokerage services. We may also refer clients to third party money managers and receive a portion of the advisory fee charged to the client by money managers within their programs. The amount of the portion of our fee will be disclosed to clients at the time of the referral.

**B. OUR FIRM DIRECTLY COMPENSATES PERSON(S) WHO ARE NOT OUR EMPLOYEE(S) FOR CLIENT REFERRALS. THEREFORE WE ARE REQUIRED TO DESCRIBE THE ARRANGEMENT AND THE COMPENSATION.**

We may pay referral fees (non-commission based) to independent solicitors (registered-representatives and non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940. Such referral fee represents a share of our investment advisory fee charged to our clients. **This arrangement will result in higher costs to you.** In this regard, we maintain Solicitors Agreements in compliance with Rule 206 (4)-3 of the Investment Advisers Act of 1940 and applicable state and federal laws. All clients referred by Solicitors to our firm will be given full written disclosure describing the terms and fee arrangements between our firm and Solicitors). In cases where state law requires licensure of solicitors, we ensure that no solicitation fees are paid unless the solicitor is registered as an investment adviser representative of our firm. If we are paying solicitation fees to another registered investment adviser, the licensure of individuals is the other firm's responsibility.

We do compensate unaffiliated Investment Consultants who often are registered representatives of unaffiliated broker/dealers AND/OR unaffiliated Investment Advisors in the following manner:

- a. We will first secure an Agreement with the Investment Adviser and/or Broker/Dealer that codifies the relationship and responsibilities of all participants and parties. A typical relationship will be between a Client, an Investment Consultant who may also be a Registered Representative of a Broker/Dealer, the Investment Advisor with whom the



Investment Consultant is affiliated, and us. Each Investment Adviser with whom we have an Agreement will allow properly licensed Investment Consultants of that Investment Adviser to offer our asset management services to their respective clients.

- b. The Investment Consultant will determine that an account separately managed by us is appropriate for each Client and that our investment style and strategy is suitable for that Client. To ascertain the financial situation and investment objectives of the Client, the Investment Consultant has obtained a completed suitability questionnaire from each Client in the form prescribed by us for that purpose. The Investment Consultant shall furnish us with a copy of the completed suitability questionnaire for each Client. The information collected by the Investment Consultant will be submitted to us as well as any preferences or constraints that the client may want to impose.
- c. At the opening of the Account, the Investment Consultant shall obtain sufficient information (in the form of the suitability questionnaire and otherwise) from each Client about the Client's financial situation and investment objectives so to be able to provide individualized investment advice to the Client and give the Client the opportunity to pose reasonable restrictions on the management of the Account.
- d. At least annually, the Investment Consultant shall contact each Client to determine whether there have been any changes in the Client's financial situation or investment objectives, and whether the Client wishes to Investment Consultant pose any restrictions on the management of the Account or modify any existing restrictions. Any new information of this kind must be provided to US within three (3) business days of receipt.
- e. At least quarterly, the Investment Consultant shall notify each Client in writing to contact the Investment Consultant if there have been any changes in the Client's financial situation or investment objectives, or if the Client wishes to pose any reasonable restrictions on the management of the Client's account or modify any existing restrictions, and provide the Client with a means through which such contact may be made.
- f. The Investment Consultant will maintain primary contact with the client. Therefore, the Investment Consultant agrees to immediately notify US of any changes in any Client's financial situation or investment objectives, or any additional restrictions on the management of the Account or any modification to any existing restrictions..
- g. The Investment Consultant agrees to be reasonably available to each Client for consultation about the Account and shall advise the Client on how to contact US's personnel who are knowledgeable about the Account for consultation purposes.
- h. Each Client shall retain, with respect to all securities and funds in the Account, to the extent as if the Client held the securities and funds outside the investment advisory program, the right to:
  - (a) withdraw securities or cash upon reasonable notice;
  - (b) vote securities, or delegate the authority to vote securities to another person;
  - (c) be provided in a timely manner with a written confirmation or other notification of each securities transaction, and all other documents required by law to be provided to security holders;
  - (d) proceed directly as a security holder against the issuer of any security in the Client's Account and not be obligated to join any person involved in the operation of the investment advisory program, or any other Client of the program, as a condition precedent to initiating such proceeding.

Due to the nature of money management services being offered through Investment Consultants, WE will make sure the following conditions are met and maintained:

- a. WE will manage each Client's Account on the basis of the Client's financial situation and investment objectives provided to US by the Investment Consultant, and in accordance with any reasonable restrictions posed by the Client on the management of the Account.
- b. WE will make its personnel who are knowledgeable about the Account reasonably available to each Client and the Investment Consultant for consultation.

- c. WE will permit each Client to have the ability to pose reasonable restrictions on the management of the Client's Account, including the designation of particular securities or types of securities that should not be purchased for the Account, or that should be sold if held in the Account.
- d. Other Possible Responsibilities of US when working with Investment Consultants may include marketing of the money management services, direct selling of money management services and based on the individual circumstance of the client WE may help determine which portfolio strategy is appropriate for the client. Factors considered in making this determination include suitability information, constraints, preferences, account size, attitudes and opinions of a client and Investment Consultant.

### ***Custody***

Form ADV Part 2A, Item 15

- A. IF WE HAVE CUSTODY OF CLIENT FUNDS OR SECURITIES AND A QUALIFIED CUSTODIAN AS DEFINED IN SEC RULE 206F4)-2 OR SIMILAR STATE RULES (FOR EXAMPLE, A BROKER-DEALER OR BANK) DOES NOT SEND ACCOUNT STATEMENTS WITH RESPECT TO THOSE FUNDS OR SECURITIES DIRECTLY TO OUR CLIENTS, WE MUST DISCLOSE THAT WE HAVE CUSTODY AND EXPLAIN THE RISKS THAT YOU WILL FACE BECAUSE OF THIS.**

All of our clients receive at least quarterly account statements directly from their custodians. Upon opening an account with a qualified custodian on a client's behalf, we promptly notify the client in writing of the qualified custodian's contact information. If we decide to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm.

- B. IF WE HAVE CUSTODY OF CLIENT FUNDS OR SECURITIES AND A QUALIFIED CUSTODIAN SENDS QUARTERLY, OR MORE FREQUENT, ACCOUNT STATEMENTS DIRECTLY TO OUR CLIENTS, WE ARE REQUIRED TO EXPLAIN THAT YOU WILL RECEIVE ACCOUNT STATEMENTS FROM THE BROKER-DEALER, BANK, OR OTHER QUALIFIED CUSTODIAN AND THAT YOU SHOULD CAREFULLY REVIEW THOSE STATEMENTS.**

We encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

### ***Investment Discretion***

Form ADV Part 2A, Item 16

- A. IF WE ACCEPT DISCRETIONARY AUTHORITY TO MANAGE SECURITIES ACCOUNTS ON BEHALF OF CLIENTS, WE ARE REQUIRED TO DISCLOSE THIS FACT AND DESCRIBE ANY LIMITATIONS OUR CLIENTS MAY PLACE ON OUR AUTHORITY. THE FOLLOWING PROCEDURES ARE FOLLOWED BEFORE WE ASSUME THIS AUTHORITY:**

Our clients need to sign a discretionary investment advisory agreement with our firm for the management of their account. This type of agreement only applies to our Asset Management clients. We do take or exercise discretion with respect to our other clients.



### ***Voting Client Securities***

Form ADV Part 2A, Item 17

- A. IF WE HAVE, OR WILL ACCEPT, PROXY AUTHORITY TO VOTE CLIENT SECURITIES, WE MUST BRIEFLY DESCRIBE OUR VOTING POLICIES AND PROCEDURES, INCLUDING THOSE ADOPTED PURSUANT TO SEC RULE 2Q6FFL-6.**

We do not and will not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy vote or other solicitation.

### ***Financial Information***

Form ADV Part 2A, Item 18

- A. IF WE REQUIRE OR SOLICIT PREPAYMENT OF MORE THAN \$1,200 IN FEES PER CLIENT, SIX MONTHS OR MORE IN ADVANCE, WE MUST INCLUDE A BALANCE SHEET FOR OUR MOST RECENT FISCAL YEAR.**

We do not require nor do we solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore we have not included a balance sheet for our most recent fiscal year.

- B. IF WE ARE AN SEC-REGISTERED ADVISER AND HAVE DISCRETIONARY AUTHORITY OR CUSTODY OF CLIENT FUNDS OR SECURITIES, OR WE REQUIRE OR SOLICIT PREPAYMENT OF MORE THAN \$1,200 IN FEES PER CLIENT, SIX MONTHS OR MORE IN ADVANCE, WE MUST DISCLOSE ANY FINANCIAL CONDITION THAT IS REASONABLY LIKELY TO IMPAIR OUR ABILITY TO MEET CONTRACTUAL COMMITMENTS TO CLIENTS.**

We have nothing to disclose in this regard.

- C. IF WE HAVE BEEN THE SUBJECT OF A BANKRUPTCY PETITION AT ANY TIME DURING THE PAST TEN YEARS, WE MUST DISCLOSE THIS FACT, THE DATE THE PETITION WAS FIRST BROUGHT, AND THE CURRENT STATUS.**

We have nothing to disclose in this regard.

## Requirements for State-Registered Advisers

Form ADV Part 2A, Item 19

### D. IDENTIFICATION OF EACH OF OUR PRINCIPAL EXECUTIVE OFFICERS AND MANAGEMENT PERSONS, AND DESCRIPTION OF THEIR FORMAL EDUCATIONS AND BUSINESS BACKGROUNDS.

We require that individuals involved in determining or giving investment advice complete two (2) of the following three (3) requirements:

- (1) attain a four-year college degree,
- (2) demonstrate five years of applicable industry experience or
- (3) have attained a general securities license equal to in stature or greater than a Series 7.

We will also require any individual involved in determining or giving investment advice on its behalf to complete a two-year mentoring program under the direction of Walter J. Sokira and will continue to work under his supervision at all times during employment with WSIM.

#### **Walter "WALT" Joseph Sokira, Jr.**

Year of Birth 1965

##### Education:

Series 7 attained September 4, 1992

Kent State University, (MBA) Masters in Business Administration/Finance, 1991

The University of Akron, BA, Business & Organizational Communications, 1987

##### Business Background:

11/98 to Present

Walt St. Investment Management, Ltd., Stow, OH, Portfolio Strategist/Chief Compliance Officer

08/2006 to Present

Case Western Reserve University Weatherhead School of Management, Senior Lecturer

08/2006 to 7/2008

Kent State University (Kent, OH), Adjunct Faculty

10/93-12/98

NatCity Investments, Inc., Akron, OH, Broker Dealer, Registered Representative,

7/92 - 10/93

Dean Witter, Akron, OH, Broker Dealer, Registered Representative

8/85 - 7/92

National City Bank, Akron, OH, Bank, Portfolio Manager

#### **Jennifer Kay Sokira**

Year of Birth 1973

##### Education:

St Leo University, Business Administration 2001 - current

Series 7 attained September 22, 1998

The College of Financial Planning, 1998-1999

The University of Akron, 1995

##### Business Background:

11/98 - Present

Walt St. Investment Management, Ltd., Stow, OH, President, Member

3/97 - 12/98

NatCity Investments, Inc., Akron, OH, Broker Dealer, Registered Representative

### B. DESCRIPTION OF ANY BUSINESS IN WHICH WE ARE ACTIVELY ENGAGED FATHER THAN GIVING INVESTMENT ADVICE") AND THE APPROXIMATE AMOUNT OF TIME SPENT ON THAT BUSINESS.

**We have nothing to disclose in this regard.**

- C. IN ADDITION TO THE DESCRIPTION OF OUR FEES IN RESPONSE TO ITEM 5 OF PART 2A. IF OUR FIRM OR A SUPERVISED PERSON IS COMPENSATED FOR ADVISORY SERVICES WITH PERFORMANCE-BASED FEES \* WE MUST EXPLAIN HOW THESE FEES WILL BE CALCULATED. FURTHER, WE MUST DISCLOSE SPECIFICALLY THAT PERFORMANCE-BASED COMPENSATION MAY CREATE AN INCENTIVE FOR THE ADVISER TO RECOMMEND AN INVESTMENT THAT MAY CARRY A HIGHER DEGREE OF RISK TO THE CLIENT.**

We do not charge performance-based fees.

- D. IF OUR FIRM OR A MANAGEMENT PERSON HAS BEEN INVOLVED IN ONE OF THE EVENTS LISTED BELOW, WE MUST DISCLOSE ALL MATERIAL FACTS REGARDING THE EVENT.**

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - (a) an investment or an investment-related business or activity;
  - (b) fraud, false statements), or omissions;
  - (c) theft, embezzlement, or other wrongful taking of property;
  - (d) bribery, forgery, counterfeiting, or extortion; or
  - (e) dishonest, unfair, or unethical practices.

**We have nothing to disclose in regards to Item D(1) above.**

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
  - (a) an investment or an investment-related business or activity;
  - (b) fraud, false statement(s), or omissions;
  - (c) theft, embezzlement, or other wrongful taking of property;
  - (d) bribery, forgery, counterfeiting, or extortion; or
  - (e) dishonest, unfair, or unethical practices.

**We have nothing to disclose in regards to Item D(2) above.**

- E. IN ADDITION TO ANY RELATIONSHIP OR ARRANGEMENT DESCRIBED IN RESPONSE TO ITEM 10.C. OF PART 2A. WE MUST DESCRIBE ANY RELATIONSHIP OR ARRANGEMENT THAT OUR FIRM OR ANY OF OUR MANAGEMENT PERSONS HAVE WITH ANY ISSUER OF SECURITIES THAT IS NOT LISTED IN ITEM 10.C. OF PART 2A.**

**We do not have additional information to disclose in this regards.**

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## ***Additional Information***

### **PRIVACY NOTICE**

We are required by Federal Regulation or disclose to you, the customer, how it protects your personal information. We take this responsibility very seriously, and we commit to protect your privacy and the confidentiality of your personal financial information. In regards to privacy we have established the following policies and procedures:

### **COLLECTION OF PERSONAL INFORMATION**

The information we collect, and the extent that we use it, will depend greatly on the specific services that you have requested from us to provide on your behalf. The information may include information that we collect in personal interviews (or information you have provided to other investment professionals that use programs that we sub-advise). Information may include: name, address, social security number, date of birth, telephone number, current investments (and tax basis), income, total assets, tax bracket, liquidity, insurance policies, real estate holdings, wills, trusts, tax returns.

### **PROCEDURES TO SAFEGUARD YOUR PERSONAL INFORMATION**

We have instituted electronic physical and procedural security measures and processes to ensure that access to your personal information is protected. Furthermore, access is limited.

### **SHARING CUSTOMER INFORMATION**

As a policy we will not under any circumstances, sell lists of our customers or disclose any of their personal information, to any marketing company. We will share information with other entities only for the following reasons: (1) When it is necessary to disclose information to third parties to effect, administer or enforce a transaction that you request and or authorize; (2) When we provide information we collect as part of your new paperwork to TD Ameritrade; (3) When we are required by law or regulation to disclose information to third parties - for example, in response to a subpoena; to prevent fraud; and to comply with the rules or inquiries from industry regulators.

Maintaining customer trust is of utmost importance to us. We constantly strive to meet your needs while upholding the privacy policies. We also expect the same level of professionalism from any of our strategic partners. We will reaffirm this policy with you on an annual basis, in writing. Note: For purposes of this policy "you" and "customer" refers to any individual who is receiving investment advisory services from us.

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