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# DISCLOSURE BROCHURE

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## Part 2A of Form ADV: WealthPlan Advisors *Firm Brochure*



**WealthPlan Advisors, Inc.**  
8817 East Bell Road #202  
Scottsdale, Arizona 85260

Telephone: 480-505-0234  
Email: [rhorton@wealthplanadvisor.com](mailto:rhorton@wealthplanadvisor.com)

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This brochure provides information about the qualifications and business practices of WealthPlan Advisors. If you have any questions about the contents of this brochure, please contact us at 480-505-0234 or [rhorton@wealthplanadvisor.com](mailto:rhorton@wealthplanadvisor.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about WealthPlan Advisors also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 150573.

Registration as an investment adviser does not imply any level of skill or training.

## **Item 2     Material Changes**

In our last annual updating amendment filing dated 3/19/2012, we reported sufficient assets under management to be eligible for SEC registration. We are in the process of switching from state to federal oversight, and the transition must be complete by June 19, 2012.

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#### **Item 4     Advisory Business**

WealthPlan Advisors, Inc. is an SEC-registered investment adviser with its principal place of business located in Arizona. Other WealthPlan Advisors branch offices are located in Utah and Missouri. WealthPlan Advisors, Inc. began conducting business in 2009.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Rick Lewis Horton, Secretary/Director/Chief Compliance Officer
- Scott Larry Schlappi, President/Director

As of December 31, 2011 WealthPlan Advisors manages approximately \$150 million of client assets on a discretionary basis and \$600 million of client assets on a non-discretionary basis.

WealthPlan Advisors offers the following advisory services to our clients:

#### **RETIREMENT PLAN & INSTITUTIONAL CONSULTING SERVICES**

WealthPlan Advisors provides several advisory services separately or in combination. While the primary clients for these services will be pension, profit sharing, 401(k), 403(b), and 457 plans, WealthPlan Advisors will also offer these services, where appropriate, to trusts, foundations, and charitable organizations, non-profit organizations, and corporations or other business entities. Selection and Monitoring Services are comprised of four distinct services. Clients may choose to use any or all of these services.

##### *Investment Policy Statement Preparation (hereinafter referred to as "IPS"):*

We will meet with the client (in person or over the telephone) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. Our firm then prepares a written IPS detailing those needs and goals, including an encompassing policy under which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

##### *Selection of Investment Vehicles:*

WealthPlan Advisors will review various investments, including (but not limited to) mutual funds (both passive and active), exchange traded funds ("ETFs"), separate accounts, registered and non-registered group variable annuity contracts, collective trusts, Stable Value Funds, and GICS, to determine which of these investments are appropriate to implement the client's IPS.

The asset classes and number of investments or separate account managers to be recommended will be determined by WealthPlan Advisors and the client, based on the IPS.

### *Monitoring of Investment Performance:*

Client investments will be monitored regularly based on the procedures and timing intervals delineated in the IPS. Although WealthPlan Advisors will not be involved in any way in the purchase or sale of these investments, WealthPlan Advisors will supervise the client's portfolio and make recommendations to the client as market factors and client's needs dictate.

### *Plan Development and Design:*

WealthPlan Advisors will assist the client in reviewing the many possible provisions that may be included in retirement plan and help identify those provisions that best meet the needs of the plan, the plan trustees, and the plan sponsor. Issues to be considered typically include, but are not limited to the advantages and disadvantages associated with the various plan entry provisions, vesting schedules, distribution options, loan provisions etc.

### *Employee Communications:*

For retirement plan clients wherein there are individual accounts with participants exercising control over assets in their own account ("self-directed plans"), WealthPlan Advisors also provides educational support and investment workshops designed for the Plan participants. The nature of the topics to be covered will be recommended by WealthPlan Advisors to the plan sponsor under the guidelines established in ERISA Section 404(c) if applicable. WealthPlan Advisors will NOT provide Plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

## **INDIVIDUAL PORTFOLIO MANAGEMENT SERVICES**

WealthPlan Advisors provides continuous asset management of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on the client's particular circumstances are established, we develop the client's personal investment policy. We create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we may also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a non-discretionary basis and may accept discretionary accounts. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Once the client's portfolio has been established, we review the portfolio at least annually, and if necessary, rebalance the portfolio as needed, based on the client's individual needs.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities

Because some types of investments involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

## **FINANCIAL PLANNING**

WealthPlan Advisors provides financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives.

In general, the financial plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEATH & DISABILITY:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **ESTATE:** We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning.

Typically the financial plan is presented to the client within six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided. Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

## **Item 5 Fees and Compensation**

### **RETIREMENT PLAN AND INSTITUTIONAL CONSULTING FEES**

WealthPlan Advisors fees for Retirement Plan and Institutional Consulting Services are based on a percentage of assets under advisement, according to the following schedule:

<b><u>Assets Under Advisement</u></b>	<b><u>Annual Fee (%)</u></b>
Up to \$1,000,000	0.75%
Up to \$3,000,000	0.65%
Up to \$5,000,000	0.45%
Up to \$10,000,000	0.35%
Up to \$20,000,000	0.25%
Up to \$30,000,000	0.20%
Up to \$50,000,000	0.15%
Up to \$100,000,000	0.10%
Above \$100,000,000	Negotiable

We charge an annual fee for Retirement Plan and Institutional Consulting Services which ranges from 0.75% to .10% of plan assets depending on the services requested and the size of the plan. Fees will be based upon the value of the plan at the end of the previous period. Fees will not be adjusted based on additions and withdrawals during the calendar quarter. When clients move from one fee range to another fee range, an appropriate fee level will be determined based upon interpolation. Adjustments to the factor will be made in a reasonable time frame.

Client fees will be charged quarterly in arrears, based upon the total asset value of client's account at the end of each quarter or month (depending on standard procedures of current service providers). Such fees shall become due and payable the following business day. Upon termination of the agreement, WealthPlan Advisors will be due the applicable fee based on a pro- rata basis for the number of days during the quarter which the Client received investment advisory consulting services. A statement of assets being advised on may be requested by the client.

WealthPlan Advisors may directly debit advisory fees from the client account if the following conditions are met:

1. The client provides written authorization permitting the adviser's fees to be paid directly from the client's account held by an independent custodian.
2. WealthPlan Advisors will make every effort to verify the accuracy of the fee calculation. Ultimately, it is the client's responsibility to verify the accuracy of the fee calculation and that the custodian will not determine whether the fee is properly calculated.
3. The custodian agrees to send to the client a statement, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to the adviser.

If a client selects the broker dealer where individuals are registered as Registered Representatives, through which recommended securities will be purchased or sold, the associated persons of WealthPlan Advisors, in their separate capacities as Registered Representatives of broker dealer, may earn 12b-1 fees, commissions, or other types of brokerage compensation that are separate and distinct from fees charged by WealthPlan Advisors for advisory services.

For retirement plan clients, WealthPlan Advisors may offset advisory fees by the amount of 12b-1 fees and any other brokerage compensation if the receipt of such compensation would be deemed a "prohibited transaction" under ERISA. Brokerage compensation not deemed to be a "prohibited transaction" will typically be retained by WealthPlan Advisors' associated persons and disclosed by the service provider and WealthPlan Advisors to the client.

For clients other than retirement plan clients, brokerage compensation not deemed to be a "prohibited transaction" will typically be retained by WealthPlan Advisors' associated persons.

WealthPlan Advisors may, at its sole discretion, offset advisory fees, in whole or in part, by the amount of brokerage compensation received. Brokerage compensation will not be credited towards future advisory fees.

WealthPlan Advisors offers several fee options. WealthPlan Advisors may be compensated based on an annual percentage of plan assets for services involving ongoing reviews, or it may be compensated by an hourly or fixed fee range. A fixed fee range may be charged between \$4,000 and \$100,000 annually. In addition, an hourly fee rate between \$250 and



\$500 may apply depending on the services provided. All fees are agreed upon prior to entering into a contract with any client. Alternatively, these different types of fees may also be combined as appropriate for the different types of services requested by the client.

WealthPlan Advisors may also offer specific retirement plan and institutional consulting services that may be billed either as a fixed fee or an annual percentage fee, as agreed with the client. These fees typically range between \$4,000 and \$100,000. Fees will typically be due and payable upon completion of the consulting assignment unless WealthPlan Advisors and client agree upon an alternative method. An exact fee will be quoted to the client prior to the beginning of the consulting arrangement.

Certain providers may compensate WealthPlan Advisors for maintaining a certain volume of advisory business or cliental.

### **INDIVIDUAL PORTFOLIO MANAGEMENT SERVICES FEES**

Our annual fee for Portfolio Management Services is based upon a percentage of assets under management and generally ranges from 1.00% to 0.30%.

The annualized fee for Portfolio Management Services are charged as a percentage of assets under management, according to the following schedule:

<b><u>Assets Under Management</u></b>	<b><u>Fees</u></b>
On the first \$1,000,000	1.00%
Above \$1,000,000	0.70%

A minimum of \$500,000 of assets under management is required for this service. This account size may be negotiable under certain circumstances. WealthPlan Advisors may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

***Limited Negotiability of Advisory Fees:*** Although WealthPlan Advisors has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

### **FINANCIAL PLANNING FEES**

WealthPlan Advisors' Financial Planning fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. A fixed fee range

may be charged between \$4,000 and \$100,000. In addition, an hourly fee rate between \$250 and \$500 may apply depending on the services provided. All fees are agreed upon prior to entering into a contract with any client.

### **ADDITIONAL COMPENSATION**

The principal executive officers and other employees of WealthPlan Advisors are separately licensed as registered representatives of Purshe Kaplan Sterling Investments ("PKS"), a FINRA member broker dealer. As such, these individuals, in their separate capacities as registered representatives, will be able to effect securities transactions for clients. As a result, these individuals will receive separate, yet customary compensation (i.e., commissions, 12b-1 fees or other sales-related forms of compensation). These individuals may spend as much as one-third of their time on this related activity.

A conflict of interest exists between the interests of these individuals and those of the advisory clients, creating an incentive for them to recommend investment products based on the compensation received through PKS, rather than on a client's needs. However, clients are under no obligation to act upon any recommendations of these individuals or to effect any transactions through them if they decide to follow the recommendations. The principal executive officers and other employees of WealthPlan Advisors do not limit their recommendations to products offered by PKS, with all advice provided being of a generic nature. All advisory services are provided by WealthPlan Advisors. PKS is not involved in the advisory aspect of WealthPlan Advisor's business.

These individuals may also act as agents and/or brokers for various insurance companies. As such, they will be able to receive separate, yet customary commission compensation resulting from the purchase of insurance products to advisory clients. This presents a conflict of interest to the extent that these individuals recommend that a client invest in an insurance product which results in a commission being paid.

### **GENERAL INFORMATION**

***Termination of the Advisory Relationship:*** A client agreement may be canceled at any time, by either party, for any reason upon receipt of 60 days written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

***Additional Fees and Expenses:*** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

***Grandfathering of Minimum Account Requirements:*** Pre-existing advisory clients are subject to WealthPlan Advisors' minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

***Advisory Fees in General:*** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

## **Item 6 Performance-Based Fees and Side-By-Side Management**

WealthPlan Advisors does not charge performance-based fees.

## **Item 7 Types of Clients**

WealthPlan Advisors provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Retirement plans and Institutions (other than plan participants, unless agreed upon)
- Foundations
- ERISA Trusts
- Charitable organizations
- Corporations
- State or municipal government entities
- Other

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

WealthPlan Advisors may use the following methods of analysis in formulating our investment advice and/or managing client assets:

***Asset Allocation.*** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

***Mutual Fund and/or ETF Analysis.*** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not

be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

**Fundamental Analysis.** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis.** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

**Cyclical Analysis.** In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

**Charting.** In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

**Quantitative Analysis.** We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

**Qualitative Analysis.** We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

**Cash Balances.** It is WealthPlan Advisors' policy to not charge our advisory fee on cash positions within client accounts.

**Risks for all forms of analysis.** Our securities analysis methods rely on the assumption that

the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## ***INVESTMENT STRATEGIES***

WealthPlan Advisors structures its clients' investment experience based on the principles undergirded by modern portfolio theory, the efficient frontier, regular rebalancing, diversification and low cost/low turnover asset class investments. Representatives correspond with each client to establish the client's short-term and long-range investment goals and objectives. Various investment vehicles are discussed, including the risk involved and potential return associated with each type of investment. Based on these discussions, a strategy is formulated to accomplish the client's objectives. Our investment philosophy is based on a long-term perspective, taking into consideration asset allocation and diversification among several asset classes.

WealthPlan Advisors assists the client(s) in implementing an investment strategy, monitors results, and reports to the client on a regular basis. Client assets are held in a custodial account by an independent custodian/broker-dealer.

***Risk of Loss.*** Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

### **Item 9     Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

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

The principal executive officers and other employees of WealthPlan Advisors are separately licensed as Registered Representatives of Purshe Kaplan Sterling Investments ("PKS"), a FINRA-member broker dealer. In this capacity, these individuals may purchase and sell securities for advisory clients for separate and typical compensation. This presents a conflict of interest to the extent that these individuals recommend that a client invest in a security which results in a commission being paid to the individuals. Advisory clients of WealthPlan Advisors may, but are not obligated to, use PKS to purchase and sell securities recommended by WealthPlan Advisors. Should a client use PKS to purchase and sell recommended securities, WealthPlan Advisors may offset its advisory fees to the extent that brokerage compensation (12b-1 fees, commissions, etc.) is earned by its associated persons.

For retirement plan clients, WealthPlan Advisors may offset advisory fees by the amount of 12b-1 fees and any other brokerage compensation if the receipt of such compensation would

be deemed a "prohibited transaction" under ERISA. Brokerage compensation not deemed to be a "prohibited transaction" may be retained by WealthPlan Advisors' associated persons.

The principal executive officers and other employees of WealthPlan may also act as agents and/or brokers for various insurance companies. As such, they will be able to receive separate, yet customary commission compensation resulting from the purchase of insurance products to advisory clients. This presents a conflict of interest to the extent that these individuals recommend that a client invest in an insurance product which results in a commission being paid.

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

WealthPlan Advisors has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

WealthPlan Advisors and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

WealthPlan Advisors' Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [rhorton@wealthplanadvisor.com](mailto:rhorton@wealthplanadvisor.com), or by calling us at 480-505-0234.

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

We will endeavor to select those brokers or dealers which will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on the broker's stability, reputation, ability to provide professional services, competitive commission rates and prices, research, trading platform, and other services which will help WealthPlan Advisors in providing investment management services to clients. We may, therefore, recommend or use a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance. Research services may be useful in servicing all our clients, and not all of such research may be useful for the account for which

the particular transaction was effected.

WealthPlan Advisors does not receive soft dollar benefits.

The principal executive officers and other employees of WealthPlan Advisors are separately licensed as Registered Representatives of Purshe Kaplan Sterling Investments ("PKS"), a FINRA-member broker dealer. As such, these individuals, in their separate capacities as registered representatives, will be able to effect securities transactions for clients. As a result, these individuals will receive separate, yet customary commission compensation for doing so. Please refer to Items 5 and 10 of this brochure for more information on this relationship. Clients are under no obligation to effect transactions through PKS.

### **Discretionary Brokerage**

For discretionary clients, WealthPlan Advisors requires these clients to provide us with written authority to determine the broker dealer to use and the commission costs that will be charged to these clients for these transactions.

These clients must include any limitations on this discretionary authority in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be provided in writing.

### **Directed Brokerage**

WealthPlan Advisors may accept directed brokerage from clients. Clients may direct us to place trades through a particular broker dealer. In directing the use of a particular broker or dealer, it should be understood that we will not have authority to negotiate commissions among various brokers, and best execution may not be achieved, resulting in higher transaction costs for clients.

For clients in need of brokerage or custodial services, and depending on client circumstances and needs, we may recommend the use of one of several brokers including, but not limited to PKS and Raymond James Financial Services, Inc. ("RJFS"), FINRA member broker dealers. RJFS provides WealthPlan Advisors with access to its institutional trading and operations services, which typically are not available to RJFS retail customers. These services are generally available, without cost, to financial advisory firms, such as WealthPlan Advisors, who maintain a minimum threshold of client assets with RJFS. WealthPlan Advisors is independently owned and operated and not affiliated with PKS or RJFS.

WealthPlan Advisors may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although we recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. WealthPlan Advisors is independently owned and operated and not affiliated with Schwab.

Schwab provides WealthPlan Advisors with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to

them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Institutional. These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Institutional also makes available to our firm other products and services that benefit WealthPlan Advisors but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that:

- provide access to client account data (such as trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide research, pricing and other market data;
- facilitate payment of our fees from clients' accounts; and
- assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help us manage and further develop our business enterprise. These services may include: compliance, legal and business consulting; publications and conferences on practice management and business succession; and access to employee benefits providers, human capital consultants and insurance providers.

Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to WealthPlan Advisors. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to our firm. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

WealthPlan Advisors' recommendation of broker dealers is consistent with our firm's fiduciary duty to the client. Our clients must evaluate these brokers before opening an account. The



factors considered when making these recommendations are the broker's ability to provide professional services, our experience with the broker, the broker's reputation, the broker's quality of execution services and costs of such services, among other factors. Clients are not under any obligation to effect trades through any recommended broker. We reserve the right to decline acceptance of any client account for which the client directs the use of a broker other than those recommended if we believe that this choice would hinder our fiduciary duty to the client and/or our ability to service the account.

### **Block Trading**

WealthPlan Advisors will use block trades where possible and when advantageous to clients. This use of block trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. WealthPlan Advisors will typically aggregate trades among clients whose accounts can be traded at a given broker, and generally will rotate or vary the order of brokers through which it places trades for clients on any particular day. WealthPlan Advisors' block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with WealthPlan Advisors, or our firm's order allocation policy.
- 2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable WealthPlan Advisors to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
- 6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the

commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.

- 7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.
- 8) WealthPlan Advisors' client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
- 9) Funds and securities for aggregated orders are clearly identified on WealthPlan Advisors' records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
- 10) No client or account will be favored over another.

### **Item 13    Review of Accounts**

#### **RETIREMENT PLAN AND INSTITUTIONAL CONSULTING SERVICES**

**REVIEWS:** WealthPlan Advisors will review the client's Investment Policy Statement (IPS) whenever the client advises us of a change in circumstances regarding the needs of the retirement plan. WealthPlan Advisors will also review the investment options of the plan according to the agreed upon time intervals established in the IPS. Such reviews will generally occur annually.

These accounts are reviewed by: *Scott Schlappi, Rick Horton, Todd Schlappi, Sean Lunny, and Roger Idel.*

**REPORTS:** WealthPlan Advisors will provide reports to Retirement Plan & Institutional clients based on the terms set forth in the client's Investment Policy Statement (IPS).

#### **INDIVIDUAL PORTFOLIO MANAGEMENT SERVICES**

**REVIEWS:** While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed **annually**. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by one or more of the following individuals: *Rick Horton, Principal, Scott Schlappi, Principal, and Todd Schlappi, Principal.*

**REPORTS:** In addition to the monthly statements and confirmations of transactions that Portfolio Management Services clients receive from their broker-dealer, WealthPlan Advisors will provide **annual** reports summarizing account performance, balances and holdings.

## **FINANCIAL PLANNING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

**REPORTS:** Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

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

#### **CLIENT REFERRALS**

Our firm may pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. We will only pay referral fees where State laws permit. Whenever we pay a referral fee, we require the Solicitor to provide the prospective client with a copy of this document (our *Firm Brochure*) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- whether the fee paid to us by the client will be increased above our normal fees in order to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

#### **OTHER COMPENSATION**

Our firm and/or our officers and representatives may receive additional incentive compensation from certain service providers as a result of high business volume or for marketing and other business development.

### **Item 15 Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the

calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

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

As previously disclosed in Item 4 of this brochure, our firm does not provide discretionary asset management services; we manage client assets only on a non-discretionary basis. Therefore, we will obtain the client's approval before executing transactions in the client's account.

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

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

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

WealthPlan Advisors has no additional no financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

WealthPlan Advisors has not been the subject of a bankruptcy petition at any time during the past ten years.