

**Widmann Financial Services  
4321 Northview Drive  
Bowie, MD 20716**

**301-262-2919 office  
301-262-3481 fax #**

**[www.widmannfinancial.com](http://www.widmannfinancial.com)**

**March 26, 2019**

**Form ADV Part 2A  
Brochure**

**This brochure provides information about the qualifications and business practices of Widmann Financial Services. If you have any questions about the contents of this brochure, please contact us at 301-262-2919 and/or [info@widmannfinancial.com](mailto:info@widmannfinancial.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 Widmann Financial Services also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Widmann Financial Services is 289106.**

**Any references to Widmann Financial Services as a registered investment adviser or its related persons as registered Advisory Representatives does not imply a certain level of skill or training.**

## **MATERIAL CHANGES**

### **Item 2**

At least annually, this section will discuss only specific material changes that are made to the Widmann Financial Services Brochure and provide you with a summary of such changes. Additionally, reference to the date of the last annual update to this Brochure will be provided.

Our last annual amendment occurred on February 20, 2018. Since that time, we made the following changes to our brochure:

- In Item 4, we revised the amount of client assets under our asset management services. Additionally, we added disclosure about situations where managed accounts contain LPs, non- publicly traded REITs, etc., these other investments will be excluded from the advisory fee billing. However, our Advisory Representatives, when acting as Registered Representatives, receive commissions and/or trail compensation which is higher, in some situations, than the ongoing advisory fee that would be charged.
- In Item 5, we added disclosure about the different fee and expense structures of mutual funds, variable annuities, and alternate investments and the conflicts of interest associated with those products. Also, When Widman Financial Services and its Advisory Representatives, in the past or currently, select mutual fund share classes that charge 12b-1 fees where clients may be eligible for lower cost share classes of the same fund, 12b-1 fees are paid to Commonwealth and thereafter credited back to the client's managed account.
- Item 8 was revised to add disclosure about institutional funds and the conflict of interest when our Advisory Representatives, in their role as Registered Representatives, offer mutual fund share classes where they will receive compensation. We also discuss the risks with variable annuities and alternative investments.
- In Item 10, we added disclosure to ensure you are aware that investment advisers have a fiduciary obligation to provide advice and services through the investment adviser that are in the best interest of the client. However, when Advisory Representatives act in the capacity of a Registered Representative, their regulatory obligation is to make recommendations and conduct transactions that are suitable for you but may not rise to the fiduciary standard.
- Item 14 was revised since we do not directly or indirectly compensate any person or entity that is not a supervised person of our firm for client referrals.

Copies of our updated brochure and brochure supplements are available to you free of charge and may be requested by contacting us at 301-262-2919 and/or [info@widmannfinancial.com](mailto:info@widmannfinancial.com).

Additional information about Widmann Financial Services is also available via the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The IARD number for Widmann Financial Services is 289106. The SEC's website also provides information about any persons affiliated with Widmann Financial Services who are registered, or are required to be registered, as Advisory Representatives of Widmann Financial Services.

**TABLE OF CONTENTS**

**Item 3**

MATERIAL CHANGES	Item 2.....	2
TABLE OF CONTENTS	Item 3 .....	2
ADVISORY BUSINESS	Item 4.....	4
FEES AND COMPENSATION	Item 5 .....	10
PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	Item 6 .....	14
TYPES OF CLIENTS	Item 7 .....	14
METHODS of ANALYSIS, INVESTMENT STRATEGIES and RISK of LOSS	Item 8.....	15
DISCIPLINARY INFORMATION	Item 9 .....	17
OTHER FINANCIAL INDUSTRY ACTIVITIES and AFFILIATIONS	Item 10 .....	17
CODE of ETHICS, PARTICIPATION or INTEREST in CLIENT TRANSACTIONS and		
PERSONAL TRADING	Item 11.....	18
BROKERAGE PRACTICES	Item 12.....	19
REVIEW of ACCOUNTS	Item 13.....	21
CLIENT REFERRALS and OTHER COMPENSATION	Item 14.....	21
CUSTODY	Item 15.....	22
INVESTMENT DISCRETION	Item 16 .....	22
VOTING CLIENT SECURITIES	Item 17.....	23
FINANCIAL INFORMATION	Item 18 .....	23
REQUIREMENTS for STATE-REGISTERED ADVISERS	Item 19 .....	23
Brochure Supplements		

## ADVISORY BUSINESS

## Item 4

Widmann Financial Services, Inc. (hereinafter referred to as “Widmann Financial Services”) is an independent investment advisory firm offering asset management and financial planning and consulting services customized to the needs of individuals and their families, charitable organizations, and businesses. The services are more fully described below.

A. Widmann Financial Services began operations in 1988 and filed for registration with the Securities and Exchange Commission in September 2017. Arden “Art” Widmann, CRD number 1891122, is the primary owner and President. Art has been in the financial services industry since 1988. Additional business information about Art and the other Advisory Representatives who work with clients is disclosed in the supplemental brochures attached to this brochure.

B. Widmann Financial Services offers the following advisory services, with each service more fully described below:

- Asset Management Services
- Third Party Management Services
- Financial Planning/Consultation Services
- Financial Education Seminars.

### Asset Management Services

We will gather financial information from you. Once we complete our analysis of your situation, our Advisory Representative will determine an asset allocation customized to your financial goals, objectives, and risk tolerance. We customize your portfolio allocation taking into consideration your limitations or restrictions, the market and economy at the time, and your financial situation, goals, and objectives.

Our Advisory Representative will schedule a meeting with you and discuss the recommended portfolio allocation and how your account will be managed. Upon your approval, we will implement the initial portfolio allocation. After we implement the initial portfolio allocation, with your written approval as indicated in the Advisory Agreement, Widmann Financial Services will provide continuous and ongoing management of your account on a discretionary basis. We will use our own discretion to determine any changes to the account. We will manage the account and will make changes to the allocation as deemed appropriate by the firm and your Advisory Representative. We will determine the securities to be purchased and sold in the account and will alter the securities holdings from time to time, without prior consultation with you. Depending on your specific goals and objectives, we will generally hold positions in your account for a long term, even more than a year, or we may actively trade some securities holding such positions for periods of 30 days or less. Your portfolio may be similarly managed and contain similar holdings as compared to other clients’ managed accounts.

Our Advisory Representatives primarily use open-ended mutual funds, close-end funds, exchange traded funds (ETFs), individual stocks and bonds. However, managed accounts are not exclusively limited to those products and include certificates of deposits, government securities, money markets, options or other products as are suitable based on your goals and objectives.

Registered investment company securities such as mutual funds are offered in various share classes. Share classes are priced differently and have varying levels of internal costs. Share classes, other than institutional share classes, involve higher internal costs that over time will cost you more. Institutional share classes, which tend to have low annual expenses, often have higher trading costs. A client needs to consider the amount being invested and the length of anticipated holding to make a decision as to the share class most suitable to the client. Please read the disclosures under Item 10 for important information about the advice and recommendations offered by our Advisory Representatives who are also Registered Representatives. Our Advisory Representative will select the lowest cost share class funds available that are appropriate to the specific client situation. By selecting the lowest cost share class, trading costs are higher. Additionally, selecting the lowest cost share class appropriate to the situation does not mean the least expensive share class; however, it is what your Advisory Representative deems to be the lowest cost for your specific situation. Advisory Representatives consider the anticipated holding period, cost structure, and administrative and transaction costs associated with the product when selecting a share class. However, there is no way to predict the future and there are occasions where a holding is liquidated sooner or held longer than initially anticipated resulting in higher costs to the client. Additional information about share classes can be found in an Investor Alert issued by the Securities and Exchange Commission at <https://www.investor.gov/additional-resources/news-alerts/alerts-bulletins/investor-bulletin-mutual-fund-classes> and <https://www.investor.gov/additional-resources/news-alerts/alerts-bulletins/investor-bulletin-mutual-fund-classes>. Additionally, the SEC and FINRA provide investor information at [www.sec.gov](http://www.sec.gov) and [www.finra.org](http://www.finra.org).

In some situations, managed accounts will contain other securities such as limited partnerships, non-publicly traded real estate investment trusts (REITs), and alternative investments. These other investments are also excluded from fee billing. However, our Advisory Representative, in the capacity as a Registered Representative, has or is receiving commissions and/or trail compensation. In some situations, this compensation is higher than the ongoing advisory fee that would be charged. Certain limited partnerships, real estate investment trusts, and alternative investments offer units in an advisory share class where no commissions or trail compensation is paid. In such cases, a value is obtained annually and an advisory fee, as disclosed under Item 5, is charged to the client. Please refer to Item 8 for information about alternative investments.

Transactions in the account, account reallocations, and rebalancing may trigger a taxable event, with the exception of IRA accounts, 403(b) accounts, and other qualified retirement accounts.

Advisory Representatives of Widmann Financial Services are dually registered as Registered Representatives and Advisory Representatives of Commonwealth Financial Network® (“Commonwealth”), a FINRA-registered broker-dealer and SEC-registered investment adviser. As further described below, Widmann Financial Services has entered into a relationship to offer you brokerage services through Commonwealth. There is no affiliation between Widmann Financial Services and Commonwealth.

If you select another brokerage firm for custodial and/or brokerage services you will not be able to receive asset management services from Widmann Financial Services. Our Advisory Representatives must adhere to FINRA rules and regulations and the policies and procedures of Commonwealth. Commonwealth’s policies and procedures and FINRA rules prohibit them from

conducting transactions at a broker-dealer for which approval has not been obtained from Commonwealth.

You may deposit assets on which a commission was previously paid, including mutual funds on which a sales charge was paid, to a fee-based account. However, Widmann Financial Services generally does not permit securities purchased by commission to be transferred into a fee-based account for a minimum 2-year period after the securities were purchased if your Advisory Representative received the commission. The purpose of this prohibition is to prevent you from paying duplicative or extra charges. You may also not want to open fee-based brokerage accounts with the proceeds from the sale of commission trades because you will then bear the transaction fees on purchases and sales of the commission trades and the fees and charges associated with the fee-based brokerage account.

Please be aware that you are under no obligation to purchase products or services recommended by Widmann Financial Services in connection with providing you with any advisory service that we offer. You have the right to decide whether or not to implement our advice and the right to consult with other financial professionals for implementation.

### **Third Party Management Services**

Widmann Financial Services will gather information regarding your investment objectives, goals, time horizon and risk tolerance to assess your suitability for this service. Based on our analysis of your situation, and if appropriate, we will refer you to a third party management service.

Currently, we have a relationship with Commonwealth who provides access to asset management services. Widmann Financial Services and Commonwealth are not affiliated.

Our Advisory Representatives will help you complete the documents in order to use the services of the Third Party Manager. We will manage your assets on Commonwealth's platform. Periodically, we will review reports provided to you. Additionally, we will contact you at least annually to review your financial situation and objectives; reassess the money manager's and your continued suitability for the service. You are expected to notify us of any changes in your financial situation, investment objectives, or account restrictions.

### **Financial Planning/Consulting Services**

Widmann Financial Services provides financial planning/consulting services based on your financial and tax status, age, risk tolerance, and investment objectives. Depending on your needs, our advice includes topics such as:

- Tax planning analysis
- Estate planning analysis
- Business planning
- Retirement planning
- Education planning
- Budgeting and cash flow
- Fringe benefit analysis
- Investment analysis.

## Widmann Financial Services

Our services are broad or focused on one or more topics to address your unique situation.

Generally, all recommendations will be made orally and discussed during meetings.

The financial planning/consulting process will begin with an initial consultation to assess if we can help you with your specific needs. If you decide to engage us for services, you will be required to sign our advisory agreement outlining the relationship and specifying our fee.

We also provide investment advice on a more limited basis in the form of a “financial checkup” consultation service, which is comprised of a consultation and discussion of our recommendations.

Planning services are based on your financial situation at the time and on financial information disclosed by you to Widmann Financial Services. You need to be aware that certain assumptions will be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. However, past performance is no indication of future performance. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Further, together, we must continue to review the plan and update it based on changes in your financial situation, goals, or objectives or changes in the economy. If your financial situation or investment goals or objectives change, you must notify us promptly of the changes. The advice offered by Widmann Financial Services is limited and you may need to seek the services of other professionals such as an insurance adviser, attorney, and/or accountant.

You are not obligated to implement advice through Widmann Financial Services or its Advisory Representatives. If you do choose to implement the plan with our Advisory Representatives, they will receive commissions or other compensation in addition to the advisory fee you paid for financial planning services. You may purchase the securities recommended by Widmann Financial Services directly or through other brokers or agents not affiliated with Widmann Financial Services. You have the right to decide whether or not to implement our advice and the right to consult with other financial professionals for implementation.

### **Financial Education Seminars**

Our Advisory Representatives conduct financial education seminars on topics such as estate planning, investment strategies, and retirement needs. We partner with attorneys and other professionals to offer these seminars. Seminar participants may subsequently choose to participate in an initial consultation with us. The consultation will consist of a general review of the seminar participant’s financial situation, issues, and concerns and an explanation of the services we offer.

C. We tailor the advisory services we offer to your individual needs. You may impose restrictions and/or limitations on investing in certain securities or types of securities. Our Advisory Representative will meet with you and conduct an interview and data gathering session to continue the due diligence process. The information we gather will assist us in providing you with the requested services and customizing the services to your financial situation. Depending on the services you have requested, we will gather various financial information and history from you including, but not limited to:

## Widmann Financial Services

- Retirement and financial goals
- Investment objectives
- Investment horizon
- Existing portfolio statements, including retirement account information
- Financial needs
- Tax bracket information
- Cash-flow analysis
- Cost-of-living needs
- Savings tendencies
- Other applicable financial information required by our Advisory Representative to provide the investment advisory services you have requested.

D. Widmann Financial Services does not offer a wrap fee program.

E. As of January 18, 2019, Widmann Financial Services had \$167.2 million in client assets under our discretionary management. Widmann Financial Services does not offer non-discretionary asset management services.

### **General Information**

The investment recommendations and advice offered by Widmann Financial Services and your Advisory Representative are not legal advice or accounting advice. You should coordinate and discuss the impact of financial advice with your attorney and/or accountant. Our primary goal is to help our clients identify and pursue their financial goals, thereby enhancing the overall quality of their lives.

### **IRA Rollover Considerations**

As part of our consulting and advisory services, we provide you with recommendations and advice concerning your employer retirement plan or other qualified retirement account. When appropriate, we recommend that you withdraw the assets from your employer's retirement plan or other qualified retirement account and roll the assets over to an individual retirement account ("IRA") that we will manage. If you elect to roll the assets to an IRA under our management, we will charge you an asset-based fee as described in Item 5. This practice presents a conflict of interest because our investment advisory representative has an incentive to recommend a rollover to you for the purpose of generating fee based compensation. You are under no obligation, contractually or otherwise, to complete the rollover. Furthermore, if you do complete the rollover, you are under no obligation to have your IRA assets managed by us. You have the right to decide whether or not to complete the rollover and the right to consult with other financial professionals.

Some employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of each.

An employee will typically have four options:

1. Leave the funds in your employer's (former employer's) plan.
2. Roll over the funds to a new employer's retirement plan.



3. Cash out and take a taxable distribution from the plan.
4. Roll the funds into an IRA rollover account.

Each of these options has advantages and disadvantages. Before making a change, we encourage you to speak with your financial advisor, CPA and/or tax attorney.

Before rolling over your retirement funds to an IRA for us to manage, carefully consider the following. NOTE: This list is not exhaustive.

1. Determine whether the investment options in your employer's retirement plan address your needs or whether other types of investments are needed.
  - a. Employer retirement plans generally have a more limited investment menu than IRAs.
  - b. Employer retirement plans may have unique investment options not available to the public such as employer securities or previously closed funds.
2. Your current plan may have lower fees than our fees.
  - a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
  - b. You should understand the various products and services available through an IRA provider and their costs.
  - c. It is likely you will not be charged a management fee and will not receive ongoing asset management services unless you elect to have such services. If your plan offers management services, the fee associated with the service may be more or less than our asset management fee.
3. Our strategy may have more or less risk than the option(s) provided to you in your plan.
4. Your current plan may offer financial advice, guidance, management, and/or portfolio options at no additional cost.
5. If you keep your assets titled in a 401k or retirement account, and you are still working, you could potentially delay your required minimum distribution beyond age 70.5 (70 ½).
6. Your 401k may offer more liability protection than a rollover IRA; each state may vary. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies; however, there can be exceptions. Consult an attorney if you are concerned about protecting your retirement plan assets from creditors.
7. You may be able to take out a loan on your 401k, but not from an IRA.

8. IRA assets can be accessed any time; however, prior to age 59 ½, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses, or a first-time home purchase.
9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand your options, their features and differences and decide whether a rollover is best for you. If you have questions, contact us at our main number listed on the cover page of this brochure.

## FEES AND COMPENSATION

### Item 5

#### Asset Management Services

A. Our fees are negotiable and are not based on a share of capital gains or capital appreciation of the funds or any portion of the funds in your account. The Fee Schedule is as follows:

Account Size	Maximum Annual Fee
First \$250,000	1.75%
Next \$750,000	1.25%
Next \$1,500,000	1.00%
Next \$2,500,000	0.75%
Above \$5,000,000	0.50%

Your annual fee is based on an aggregate value of all managed accounts within your established household. For these multiple accounts, we can deduct an aggregated advisory fee from one selected account.

We sometimes make exceptions to our general fee schedule under certain circumstances (e.g., responsibilities involved, accounts or groups of accounts which are expected to have significant capital additions in the future, anticipated future earning capacity, related accounts, account composition, pre-existing client, account retention, pro bono activities, etc.). In such cases, lower fees or different payment arrangements can be negotiated with each client separately and will be described in the client's advisory agreement.

You may make additions to the account or withdrawals from the account, provided the account continues to meet minimum account size requirements. No fee adjustments will be made during the quarter for additional deposits, partial withdrawals, or for account appreciation or depreciation due to market fluctuation.

B. If the account is established or closed during the quarter, you will pay a prorated portion of the advisory fee based on the number of days the account was under our management. New clients establishing a managed account household will pay a prorated portion of the advisory fee based on the number of days the account was under Widmann Financial Services' management. Advisory fees will be charged to and collected directly from the account for your Asset Management fees.

## Widmann Financial Services

You will need to grant Widmann Financial Services the authorization to instruct the custodian to debit your fee. The custodian, National Financial Services (NFS), will provide you with a quarterly or monthly statement that lists the total fees deducted from the account as well as all transactions that were conducted in the account that quarter/month.

C. In addition to the advisory fees above, you will pay transaction fees for securities transactions executed in your account in accordance with the custodian's transaction fee schedule. You will also pay fees for custodial services, account maintenance fees, and other fees associated with maintaining the account. These fees are not charged by Widmann Financial Services and are charged by the product, broker-dealer, or account custodian. Widmann Financial Services does not share in any portion of these fees. Additionally, you will pay your proportionate share of the fund's management and administrative fees and sales charges as well as the mutual fund adviser's fee of any mutual fund they purchase. These advisory fees are not shared with Widmann Financial Services and are compensation to the fund manager. More information is available in the mutual fund prospectus.

D. The Asset Management fee is billed quarterly in advance using a tiered fee schedule and is computed as one-quarter of the annual fee based on the value of the account on the last business day of the previous calendar quarter. If your account does not contain sufficient funds to pay the advisory fees, we have the limited authority to sell or redeem securities in sufficient amounts to pay advisory fees. Except for ERISA and IRA accounts, you may reimburse your account for advisory fees paid to Widmann Financial Services.

Fee calculation example for a \$1,500,000 dollar account:

- First \$250,000 x 1.75% = \$4,375
- Next \$750,000 x 1.25% = \$9,375
- Remaining \$500,000 x 1.00% = \$5,000

Total                      \$18,750 divided by 4 = **Quarterly Fee is \$4,687.50**

Widmann Financial Services may change the above fee schedule upon 30-days prior written notice to you.

### *Termination Provisions*

You may terminate investment advisory services obtained from Widmann Financial Services, without penalty, upon verbal or written notice within 5 business days after entering into the advisory agreement with Widmann Financial Services. You will, however, be responsible for any fees and charges incurred from third parties as a result of maintaining the account, such as transaction fees for any securities transactions executed and account maintenance or custodial fees. Thereafter, you may terminate investment advisory services with verbal or written notice to Widmann Financial Services. If you terminate investment advisory services during a quarter, you will be charged a prorata portion of the advisory fee for the quarter up to the date of termination. Unearned prepaid fees will be refunded to you upon termination for any reason.

E. Advisory Representatives will not receive commissions on assets in our Asset Management program. However, when serving as a Registered Representative, Advisory Representatives may receive trail commissions (i.e., 12b-1 fees) for a period of time as a result of directing securities transactions through non-managed Commonwealth brokerage accounts. Load and no-load mutual funds pay annual distribution charges, sometimes referred to as 12b-1 fees. 12b-1 fees come from fund assets, therefore, indirectly from your assets. 12b-1 fees are initially paid to Commonwealth and a portion passed to the Advisory Representative. The receipt of these fees represent an incentive for the Advisory Representative to recommend funds with 12b-1 fees over funds that have no fees or lower fees. As a result, there is a conflict of interest because the receipt of compensation provides an incentive to recommend investment products for non-managed accounts based on the compensation received rather than on your needs.

Advisory Representatives are also Advisory Representatives of Commonwealth and offer securities products on a fee basis and receive advisory fees. There is a conflict of interest in that they recommend the use of advisory programs at Commonwealth for which they will receive compensation.

As stated above in Item 4, registered investment company securities, such as mutual funds, are offered in various share classes. The share classes have different fee and expense structures. Some managed accounts contain previously purchased A and/or C share mutual funds that are more expensive for the client. A and C share classes pay trail compensation, which is paid to the broker-dealer with which the Advisory Representative (in the capacity of a Registered Representative) is registered. Typically, a portion of the trail compensation is paid to the Advisory Representative, in the capacity of a Registered Representative. C shares do not enable the Advisory Representative to convert to an institutional share class and certain investment companies will only convert a C share to an A share after ten years. Further, the sale of C shares, in order to switch to another share class, requires a sell transaction that can result in tax consequences to the client. This is a conflict of interest since the Advisory Representative has an interest in the compensation. This compensation can be higher than what you would have paid if the shares were converted to an institutional share class and an advisory fee was charged on the value. To mitigate the conflict of interest, this disclosure is provided.

From time to time, Widmann Financial Services will utilize variable annuity products. The following provides important information about the cost structure of variable annuity products.

Variable annuity products have additional costs to the client. These costs include surrender fees if the purchase of the product results from the transfer from another variable product; costs associated with living or death benefits; administrative fees; sub-account management fees; mortality and expense fees; and bonus expenses if the product has a bonus element. Certain variable annuities have surrender fees if the annuity is transferred or liquidated within the stated surrender period. Surrender periods can range from 0 to 10 years depending on the individual product purchased. Additionally, certain variable products often have limitations on the number of transactions that can be conducted among the subaccounts. Exceeding the limitation could result in additional expenses. It is vital clients read the variable annuity prospectus for details on all of the costs associated with the product. Furthermore, depending on the annuity product, Advisory Representatives, in their role as Registered Representatives, will receive selling compensation paid through the broker-dealer.

## Widmann Financial Services

Variable annuities managed by Widmann Financial Services where an advisory fee is charged are fee-based variable products and no commissions or trail compensation is earned by Widmann Financial Services or our Advisory Representative. Additionally, the internal expenses of the annuity product are less than if the client purchased the annuity product on a commission basis.

Alternative investments have additional costs and expenses including a management fee. Disclosures of the costs, fees, expenses and risks are disclosed in the offering memorandum. It is important clients read the offering memorandum for complete information about all costs and expenses associated with the product.

If you choose to implement a financial plan through us, commissions and other compensation for the sale of investment products recommended to financial planning clients, including asset-based distribution fees from the sale of mutual funds, comprise less than 50% of the total revenue derived from advisory clients. As previously noted, you are not obligated to implement financial planning/consulting advice through Widmann Financial Services or its Advisory Representatives.

NOTE: Widmann Financial Services does not charge commissions on assets in our Asset Management program.

Advisory fees will always be offset for commissions earned on securities transactions executed in pension, profit-sharing, 401k, IRA, or other client accounts where to do otherwise would constitute a prohibited transaction under the provisions of ERISA or the Internal Revenue Code.

Widmann Financial Services will attempt to mitigate conflicts of interest by:

- Informing you of conflicts of interest in our disclosure document and agreement.
- Maintaining and abiding by our Code of Ethics, which requires us to place your interests first and foremost.
- Advising you of the right to decline to implement our recommendations and the right to choose other financial professionals for implementation.

In addition, Advisory Representatives, in their capacity as a Registered Representative and Advisory Representative of Commonwealth, are subject to Commonwealth's supervision.

### **Third Party Management Services**

Fees for Third Party Management Services are the same as those outlined under Asset Management Services above.

### **Financial Planning/Consulting Services**

Fees for planning/consulting services are strictly for planning/consulting services. Therefore, you will pay fees and/or commissions for additional services obtained such as asset management or products purchased such as securities or insurance.

Widmann Financial Services offers financial planning and consulting services on an hourly and a fixed fee basis. Fees are negotiable and will depend on several factors including time spent with us, number of meetings, complexity of your situation, amount of research, services requested, and staff

## Widmann Financial Services

resources. As agreed upon with your Advisory Representative, fees will be paid at the time of service, in advance of service, or after service has been rendered.

Our hourly fee is up to \$350 per hour and is based on the expertise and credentials of the provider and the service provided. The financial checkup fee is up to \$350. Fees are payable upfront or upon completion of project/delivery of the planning recommendations (or other agreed upon time) as invoiced by Widmann Financial Services.

The advisory agreement for financial planning and consulting services, unless otherwise stated, is in effect through the delivery to you of final documentation/recommendations unless terminated prior to that date. Either you or Widmann Financial Services may terminate the agreement at any time. Notice shall be in writing and delivered to the appropriate party's last known address. Any unpaid fees earned by Widmann Financial Services will be paid within 15 days of the termination of the agreement. Unearned prepaid fees will be refunded to you upon termination for any reason. There is no provision for refunds for work that has already been performed.

### **Financial Education Seminars**

Fees may be charged for seminars given to individuals, clubs, civic groups or employee groups. When fees are charged, they are negotiable and generally will not exceed \$2,000 for a half-day seminar.

They may also include fees for preparation time and travel expenses.

### **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT      Item 6**

Widmann Financial Services does not charge performance-based fees and therefore does not engage in side-by-side management..

### **TYPES OF CLIENTS      Item 7**

The advisory services offered by Widmann Financial Services are geared toward individuals and their families including high-net-worth individuals, as well as businesses, charitable organizations, trusts, and estates.

The minimum account size to obtain asset management services is generally \$250,000. We will group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee. Accounts below these minimums will be accepted on an individual basis at our discretion. Such circumstances include, but are not limited to the addition of assets to your account in the near future, or the fact that you have other accounts under management with Widmann Financial Services. You should be aware that performance may suffer due to difficulties with diversifying smaller accounts and that a lack of diversification can lead to greater portfolio risk. Performance of smaller accounts may vary from the performance of accounts with more dollars invested because fluctuations in the market may affect smaller accounts more.

**METHODS of ANALYSIS, INVESTMENT STRATEGIES and RISK of LOSS      Item 8**

A. Widmann Financial Services conducts fundamental analysis using third party research to include, but not be limited to, firms such as Morningstar, Argus, Standard & Poor's, and Valueline.

Fundamental analysis generally involves assessing a company's or security's value based on factors such as sales, assets, markets, management, products and services, earnings, and financial structure.

B. Investing in securities involves risk of loss, including the potential loss of the principal money you are investing. Therefore, your participation in any of the management programs offered by Widmann Financial Services requires you to be prepared to bear the risk of loss as well as the fluctuating performance of your accounts. Market values of investments will always fluctuate based on market conditions.

We do not represent, warrant, or imply that the services or methods of analysis we use can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to major market corrections or crashes. Past performance is no indication of future performance. No guarantees can be offered that your goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by Widmann Financial Services or our Advisory Representatives will provide a better return than other investment strategies.

C. As stated above, Widmann Financial Services generally uses mutual funds, ETFs, stocks and bonds in our portfolios. The risks with mutual funds include the costs and expenses within the fund that can impact performance, change of managers and/or the fund straying from its stated investment objective. Open-ended mutual funds do not typically have a liquidity issue and the price does not fluctuate throughout the trading day. Mutual fund fees are described in the fund's prospectus, which the custodian mails directly to the client following any purchase of a mutual fund that is new to the client's account. In addition, a prospectus is available online at each mutual fund company's website. At the client's request, we will direct the client to the appropriate web page to access the prospectus.

The risks with ETFs include the fact that actively traded ETFs can create increased trading expenses and fees and the intraday trading opportunities created by ETFs may not fit into a long-term investor's strategy. In addition, an ETF more heavily weighted towards a particular market sector may be more volatile over short and long periods of time than a more broadly diversified ETF.

Some risks involving stocks include financial risk, market risk, inflation risk, and regulatory risk. Financial risk is the risk that the companies may perform poorly while market risk is the risk that the stock market will decline. Inflation risk is the risk that inflation will undermine the performance of your investment. Regulatory risk is that a change in the laws may affect the business or industry and impact the security's value.

Some risks involving bonds include inflation rate risk, interest rate risk, default risk, and call risk. Inflation risk is where the principal repaid at maturity will have less purchasing power if the inflation rate is higher than expected. Interest rate risk is the risk that the value of the bond investments will fall if interest rates rise. Default risk is the chance that the entity that sold the bond is unable to repay the debt. Call risk is the risk that your bond investment will be redeemed by the issuer before maturity.

It is important to refer to the information about mutual funds and registered investment companies disclosed above in Item 4. As previously stated, registered investment companies offer their shares in various share classes. The share classes have differing fee structures. Some share classes pay trail compensation or 12b-1 fees. There is a conflict of interest for Advisory Representatives to offer share classes that pay a commission and/or trail compensation in advisory accounts. To the best of our knowledge, the lowest cost share class is an institutional share class. However, trading costs are often higher with institutional shares since there is no compensation paid to the Advisory Representative or the broker-dealer to help offset the trading costs. Active trading and systematic investments or withdrawals will increase the costs to the client when using institutional share classes.

When Widmann Financial Services and its Advisory Representatives, in the past or currently select mutual fund share classes that charge 12b-1 fees, where clients may be eligible for lower cost share classes of the same fund, 12b-1 fees are paid to Commonwealth and thereafter credited back to the managed account.

Variable annuities are long-term investments and are generally not suitable for meeting short-term financial goals because substantial taxes and insurance company charges typically apply if a client withdraws money early. Variable products are not suitable if you anticipate the need to access the principal to pay for living expenses or health care during the surrender period. Variable annuities are subject to investment risks, including possible loss of the principal amount invested. Subaccount values fluctuate. Any guaranteed rate option available under the contract may be subject to a market value adjustment, which may increase or decrease your available account value if funds are withdrawn, transferred, or annuitized during the guarantee period. If you withdraw money during the early years of the contract, the issuing insurance company may retain a certain percentage of the amount you withdraw, known as a surrender charge or contingent deferred sales charge (CDSC). Many deferred variable annuities limit the amount that can be withdrawn each year without penalty. Withdrawals from annuities are taxed at ordinary income rates. Withdrawals made prior to age 59 1/2 may be subject to a 10-percent tax penalty. In addition, surrender charges may apply to amounts distributed under IRS minimum distribution requirements beginning at age 70 1/2 for qualified plans. The tax-deferred features of an annuity are redundant if the product is purchased in a retirement account [e.g., IRA, 401(k), 403 (b)]. Any death benefit may terminate upon the owner reaching a specific age. Bonus annuities, as opposed to non-bonus annuities, provide for additional contributions to the contract on your behalf and generally result in higher fees and expenses and longer surrender periods over the life of the contract.

When appropriate, Advisory Representatives, in their capacity as Registered Representatives, recommend alternative investments to clients who meet the suitability requirements. Such investments are often referred to as non- publicly traded real estate investment trusts (REITs), private placements, limited partnerships or direct participation programs. These investments generally have no or limited secondary market and are considered illiquid and long term. Further, clients must meet suitability requirements as outlined in the product's offering memorandum. Because of the illiquidity of the investment and the type of investment, these products are considered risky. Values reflected on statements or reports issued by Widmann Financial Services are received directly from the alternative investment company and reported to Widmann Financial Services



through an outside vendor. It is important to understand that although values are reported on a statement, it does not mean the client can liquidate the investment and receive the stated value. As previously noted and restated for emphasis, these products are generally illiquid with minimal to no secondary market. Furthermore, the products generally pay a higher commission than other products. This is a conflict of interest. To mitigate this conflict of interest, this disclosure is provided. Some alternative investment sponsors now offer an adviser class product for which no commissions are paid. If such product is purchased in an advisory account, Widmann Financial Services will charge an ongoing advisory fee on those assets.

## **DISCIPLINARY INFORMATION**

### **Item 9**

Registered Investment Advisers must disclose any legal or disciplinary events that would be material to your evaluation of Widmann Financial Services or the integrity of our management. There is no reportable disciplinary information required for Widmann Financial Services or its management persons.

## **OTHER FINANCIAL INDUSTRY ACTIVITIES and AFFILIATIONS**

### **Item 10**

A. , B. Widmann Financial Services does not have a related person who is a broker-dealer or other similar type of broker or dealer, investment company or other pooled investment vehicle, other investment adviser or financial planner, futures commission merchant or commodity pool operator, banking or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, real estate broker or dealer, or sponsor or syndicator of a limited partnership.

C. As previously stated, Advisory Representatives are separately registered as Registered Representatives and Advisory Representatives of Commonwealth Financial Network® (“Commonwealth”). You are under no obligation to purchase or sell securities through them. However, if you choose to implement the planning recommendations in our role as a Registered Representative and/or insurance agent, commissions and/or advisory fees will be earned in addition to any fees paid for our planning services. Commissions may be higher or lower at Commonwealth than at other broker-dealers. Our Advisory Representatives who are Registered Representatives and insurance agents, have a conflict of interest in having you purchase securities and/or insurance-related products through Commonwealth in that the higher their production with Commonwealth, the greater potential for obtaining a higher pay-out on commissions earned. NOTE: No commissions will be charged on assets under our Asset Management Services.

It is important to understand investment advisers have a fiduciary obligation to provide advice and services through the investment adviser that are in the best interest of the client. However, when Advisory Representatives act in the capacity of a Registered Representative, their regulatory obligation is to make recommendations and conduct transactions that are suitable for you but may not rise to the fiduciary standard.

Advisory Representatives are separately registered as Registered Representatives of Commonwealth. Pursuant to the requirements of FINRA Conduct Rule 3040, Commonwealth is responsible for supervising the securities business of Advisory Representatives when they act in the role of a Registered Representative. Commonwealth is not responsible for supervising the provision of

financial planning services to the clients of Widmann Financial Services. Instead, it oversees the implementation of the financial planning recommendations by Advisory Representatives in their role as Registered Representatives and/or Advisory Representatives of Commonwealth.

Advisory Representatives may also be licensed with various insurance companies. The insurance business represents a small part of their total activities and they do not concentrate resources in this area. However, Advisory Representatives will earn commissions if you purchase insurance products through them in their role as an insurance agent. This creates a conflict of interest. You are under no obligation to purchase insurance products or services through our Advisory Representatives. Clients have the right to decide whether or not to purchase insurance products and which insurance professionals to use.

Widmann Financial Services attempts to mitigate conflicts of interest by notifying you of these conflicts in our disclosure document and agreement. We inform you that you are free to consult other financial professionals and that you may implement recommendations through these professionals. We are bound by our Code of Ethics to act in an ethical manner.

Widmann Financial Services and its Advisory Representative are not actively engaged in any other financial industry entity.

D. As noted in Item 4, Widmann Financial Services recommends the services of a Third Party Manager. Widmann Financial Services recommends the use of certain investment advisory programs offered by Commonwealth. These programs include, but are not necessarily limited to, Commonwealth's Preferred Portfolio Services (PPS) Custom and PPS Select, and PPS Direct programs. As previously noted, our Advisory Representatives have a conflict of interest in having you purchase products from Commonwealth in that the higher their production with Commonwealth, the greater potential for obtaining a higher pay-out on commissions or fees earned. We attempt to mitigate these conflicts as previously described in this section.

## **CODE of ETHICS, PARTICIPATION or INTEREST in CLIENT TRANSACTIONS and PERSONAL TRADING**

### **Item 11**

#### **Code of Ethics**

A. Widmann Financial Services has a fiduciary duty to you to act in your best interest and always place your interests first and foremost. Widmann Financial Services takes seriously its compliance and regulatory obligations and requires all staff to comply with such rules and regulations as well as our policies and procedures. Further, we strive to handle your non-public information in such a way to protect information from falling into the hands of anyone who has no business reason to know such information. We provide you with our Privacy Policy that details our procedures for handling your personal information. Widmann Financial Services maintains a Code of Ethics for its Advisory Representatives, supervised persons, and office staff. The Code of Ethics contains provisions for standards of business conduct to comply with Federal securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about your transactions. Further, our Code of Ethics establishes our firm's expectation for business conduct. A copy of our Code of Ethics will be provided to you upon request.

B. Neither Widmann Financial Services nor its associated persons recommends to clients or buys or sells for client accounts any securities in which we have a material financial interest.

Widmann Financial Services and its associated persons may buy or sell securities identical to those securities recommended to you. Therefore, Widmann Financial Services and/or its associated persons may have an interest or position in certain securities that are also recommended and bought or sold to you. They will not put their interests before your interest. Neither Widmann Financial Services nor any associated person may trade ahead of you or trade in such a way to obtain a better price for themselves than for you or other clients. No affiliated person may trade in a client's account in such a way as to disadvantage any client.

C. Widmann Financial Services is required to maintain a list of all securities holdings for its associated persons and develop procedures to supervise the trading activities of associated persons who have knowledge of your transactions and their related family accounts at least quarterly. Further, associated persons are prohibited from trading on non-public information or sharing such information.

You have the right to decline to implement any investment recommendation. Widmann Financial Services and its associated persons are required to conduct their securities and investment advisory business in accordance with all applicable Federal and State securities regulations.

## **BROKERAGE PRACTICES**

### **Item 12**

A. As previously stated, Widmann Financial Services' Advisory Representatives are Registered Representatives of Commonwealth. As a result, they are subject to FINRA Conduct Rule 3040, which restricts them from conducting securities transactions away from Commonwealth unless Commonwealth provides them with written authorization. Therefore, if you elect to implement investment recommendations through them, you will need to establish an account with Commonwealth.

Not all investment advisers require you to maintain accounts at a specific broker-dealer. You may maintain accounts at another broker-dealer. If you choose to do so, the services provided by our Advisory Representatives will be limited to investment advice only and will not include implementation.

In initially selecting Commonwealth, Widmann Financial Services conducted due diligence. We examined the ability to service you, staying power as a company, industry reputation, reporting ability, trading platform, products and services available, technology resources, and educational resources. We consider Commonwealth's commissions to be reasonable in comparison to the value provided although they may be higher or lower as compared to online or discount broker-dealers. And, the fact that Commonwealth does not have any proprietary products was also a consideration.

Periodically, we will review alternative broker-dealers and custodians in the marketplace to ensure Commonwealth and its custodians are meeting our duty to provide best execution for your accounts. The review will include a comparison to Commonwealth that involves evaluating criteria such as overall expertise, cost competitiveness, and financial condition. The quality of execution by Commonwealth will be reviewed through trade journal evaluations. However, best execution does

not simply mean the lowest transaction cost. Therefore, no single criteria will validate nor invalidate a custodian, but rather, all criteria taken together will be used in evaluating the current custodian.

Additionally, some product sponsors such as variable annuity and investment companies and limited partnerships provide support to Widmann Financial Services and its Advisory Representatives. Such support includes research, educational information, and monetary support for due-diligence trips and client events. We receive a benefit because we do not have to pay for the research, products, or services. This additional compensation presents a conflict of interest because Widmann Financial Services or your Advisory Representative has a greater incentive to make available, recommend, or make investment decisions regarding investments for your account that provide such additional compensation to your Advisory Representative or Widmann Financial Services. Further information regarding fees and charges assessed to you by investment products you purchase is available in the appropriate product prospectus, statement of additional information, and/or offering document.

There is an incentive for Widmann Financial Services and our Advisory Representatives to recommend Commonwealth over other broker-dealers based on the access to products and services that we will receive.

Commonwealth has a wide range of approved securities products for which Commonwealth performs due diligence prior to selection. As Commonwealth Registered Representatives, we are required to adhere to these products when implementing securities transactions through Commonwealth. Commissions charged for these products may be higher or lower than commissions you may be able to obtain if transactions were implemented through another broker-dealer. Commonwealth also provides Advisory Representatives, and therefore Widmann Financial Services, with back-office, operational, technology, and other administrative support. Other services may include consulting, publications, and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. Such services are intended to help us and our Advisory Representatives manage and further develop its business enterprise.

Commonwealth and its clearing broker-dealer, National Financial Services, LLC, make available to Widmann Financial Services other products and services that benefit us but do not directly benefit you. Some of these other products and services assist us with managing and administering your accounts. These include software and other technology that provide access to your account data (such as trade confirmation and account statements); facilitate trade execution; provide research, pricing information, and other market data; facilitate payment of our advisory fees from your accounts; and assist with back-office functions; recordkeeping; and client reporting. Many of these services generally may be used to service all or a substantial number of Widmann Financial Services clients, including clients who do not maintain accounts at Commonwealth.

B. Widmann Financial Services typically trades using “order blasting” or aggregating orders of one security for several accounts at once. This results in an average price/share for all accounts included in the trade. Aggregated orders will not reduce the transaction costs to participating clients. We conduct aggregated transactions (order blasts) in a manner designed to ensure that no participating client is favored over another client. When possible, if the aggregate order is not filled in its entirety, securities purchased or sold in an aggregated transaction will be allocated prorata to the participating

client accounts in proportion to the size of the orders placed for each account. In some instances, if the aggregated order cannot be filled, the entire order will be canceled instead of partially filled.

## **REVIEW of ACCOUNTS**

### **Item 13**

A. While the underlying securities within the Asset Management Services accounts are continuously monitored, these accounts are reviewed at least quarterly by your Advisory Representative. 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. You must notify your Advisory Representative promptly of any changes to your financial goals, objectives, or financial situation as such changes may trigger a review of the portfolio allocation and recommendations for changes.

Upon completion of your financial planning/consulting services, your Advisory Representative will meet with you to review and answer any questions you have. After this consultation, there are no further reviews unless requested. You must notify your Advisory Representative promptly of any changes to your financial goals, objectives, or financial situation as such changes may require your Advisory Representative to review your plan and make amendments.

B. Your Advisory Representative will monitor for changes or shifts in the economy, changes to the management and structure of a mutual fund or company in which your assets are invested, and market shifts and corrections.

C. The custodian will provide you with confirmations of each transaction in your account and quarterly statements. In addition, you will receive quarterly performance reports reflecting the holdings in your account, the value of the securities, and the performance of the account. You should compare the report with statements received directly from the account custodian. If there is any discrepancy, the account custodian's report will prevail.

Financial planning/consulting clients will receive recommendations from their Advisory Representative. Typically, there will be no written reports issued. Generally, all recommendations will be made and discussed with you during our meetings.

## **CLIENT REFERRALS and OTHER COMPENSATION**

### **Item 14**

A. Some product vendors recommended by Widmann Financial Services provide monetary and non-monetary assistance with client events and provide educational tools and resources. We do not select products as a result of any monetary or non-monetary assistance. The selection of product that is most appropriate for the client is first and foremost. Our due diligence of a product does not take into consideration any assistance we receives. Although the receipt of products or services is a benefit for you and us, it also presents a conflict of interest.

As discussed previously, our Advisory Representatives are Registered Representatives and Advisory Representatives of Commonwealth. This affiliation requires us to only offer you services and programs sponsored or approved by Commonwealth. Commonwealth offers our Advisory Representatives educational, training, and other programs if they meet certain sales production goals.

## Widmann Financial Services

This includes the payment or reimbursement of travel, meals, and lodging expenses for attendees. Payment/reimbursement of expenses is not contingent upon sales targets or contests, but rather on the total amount of production. This additional compensation presents a conflict of interest because Widmann Financial Services or your Advisory Representative has a greater incentive to make available, recommend, or make investment decisions regarding investments for your account that enable our Advisory Representatives to meet the production goals noted above. Further information regarding fees and charges assessed to you by investment products you purchase is available in the appropriate product prospectus, statement of additional information, and/or offering document.

If you have any concerns about the appropriateness of the recommendations provided by your Advisory Representative, you should discuss this with your Advisory Representative. As well, you are free to consult other financial professionals.

Although our securities sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain securities products and are encouraged to ask us about any conflict presented.

Widmann Financial Services attempts to mitigate the conflicts of interests presented in this section by notifying you in our disclosure document and agreement of the conflicts and informing you that you are free to decline our recommendations and to consult other financial professionals. We are bound by our Code of Ethics and fiduciary duty to act in an ethical manner and place your interests first and foremost.

B. Widmann Financial Services does not directly or indirectly compensate any person or entity that is not a supervised person of our firm for client referrals.

### **CUSTODY**

#### **Item 15**

Widmann Financial Services does not have physical custody of any client funds or securities. However, under government regulations, we are deemed to have constructive custody of your assets if you:

1. Authorize us to instruct your custodian to deduct our advisory fees directly from your account. However, your custodian, NFS, maintains the actual custody of your assets. You will receive account statements directly from NFS at least quarterly. They will be sent to the email or postal mailing address you provided to them. You should carefully review those statements promptly when you receive them. As noted under Item 13C above, you should compare the statement we provide you with your NFS statement and report any discrepancies. Please see Item 5 for more information regarding the deduction of advisory fees from client accounts.
2. Set up certain 1st party wire disbursements and/or 3rd Party Standing Letters of Authorization (SLOAs) to direct us to transfer funds or securities from your account to a specified party.

### **INVESTMENT DISCRETION**

#### **Item 16**

By execution of our advisory agreement, you will grant Widmann Financial Services authorization to manage your account on a discretionary basis. We will have the authority to determine, without

obtaining specific client consent, the securities to be bought or sold and the amount of the securities to be bought or sold. You may terminate the discretionary authorization at any time by giving us written notice.

Additionally, you are advised that:

1. You may set parameters with respect to when your account should be rebalanced and set trading restrictions or limitations.
2. Your written consent is required to establish any mutual fund, variable annuity, or brokerage account.
3. If you elect to implement recommendations through your Advisory Representative, we require the use of Commonwealth, the broker-dealer with which our Advisory Representative is registered for sales in commissionable mutual funds or variable annuities.

## **VOTING CLIENT SECURITIES**

### **Item 17**

Widmann Financial Services does not vote your securities. Unless you suppress proxies, securities proxies will be sent directly to you by the account custodian or transfer agent. You may contact your Advisory Representative about questions you may have and opinions on how to vote the proxies. However, the decision to vote and how you vote the proxies is solely up to you.

## **FINANCIAL INFORMATION**

### **Item 18**

A. Widmann Financial Services will not require you to prepay more than \$1,200 and 6 or more months in advance of receiving the advisory service; therefore, a balance sheet is not required to be attached.

B. We are financially stable. There is no financial condition that is likely to impair our ability to meet our contract actual commitment to you or any other client.

C. Widmann Financial Services has not been the subject of a bankruptcy petition.

## **REQUIREMENTS for STATE-REGISTERED ADVISERS Item 19**

This section is not applicable to Widmann Financial Services because it is not state registered. Widmann Financial Services is registered with the Securities and Exchange Commission.