



WealthTrak Capital Management, LLC

DBA **WealthTrak Advisors**

**Form ADV Part 2A: Disclosure Brochure**

**Date: March 7, 2022**

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This brochure provides information about the qualifications and business practices of WealthTrak Capital Management, LLC dba WealthTrak Advisors. If you have any questions about the contents of this brochure, please contact us at 757-523-1250. 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 WealthTrak Capital Management, LLC dba WealthTrak Advisors is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

WealthTrak Capital Management, LLC DBA WealthTrak Advisors is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. Generally, we will notify clients of material changes on an annual basis. However, where we determine that an interim notification is either meaningful or required, we will notify our clients promptly. In either case, we will notify our clients in a separate document.

Since the filing of our last annual updating amendment dated February 23, 2021, we have made the following material changes to our Brochure:

We amended Item 4 to note that we offer non-discretionary portfolio management in addition to discretionary portfolio management and to clarify that discretionary accounts are offered through our Managed Portfolio Program (i.e., our Wrap Fee Program) and our Managed Variable Insurance Program.

We also removed references in Items 4 and 5 to our Digital Advice Platform and our Automated Portfolio Management as we no longer offer those services.

We further amended Item 4 to disclose that, for purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, when we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

We benefit financially from the rollover of your assets from a retirement account to an account that we manage or provide investment advice, because the assets increase our assets under management and, in turn, our advisory fees. As a fiduciary, we only recommend a rollover when we believe it is in your best interest.

Additionally, we amended Item 5 to disclose that our fee for portfolio management services for our non-discretionary accounts differs from the fee for our discretionary (Wrap) accounts as detailed below. The fee for non-discretionary accounts is negotiable and based on a percentage of your assets we manage and is set forth in the following fee schedule:

<b>Assets Under Management</b>	<b>Annual Fee</b>
On the First \$500,000	1.45%
On the Next \$500,000	0.95%
On the Next \$1,000,000	0.75%
On the Next \$3,000,000	0.60%
Over \$5,000,000	0.45%

We do not charge a minimum fee for our non-discretionary services.

We removed the sentence stating that "[y]ou may terminate the portfolio management agreement within five (5) days of signing the agreement without penalty."

Nevertheless, you still may terminate the portfolio management agreement at any time upon written notice to our firm, however, you will incur a pro-rata charge for services rendered prior to the termination of the portfolio management agreement.

We also amended Item 5 to note that, in addition to charging an hourly fee of \$250 for Financial Planning services, we may also charge a negotiable fixed fee that typically ranges from \$495 to \$7,500. On occasion, fixed fees might exceed the limit stated above if the size and complexity warrant such a higher fee.

Additionally, we removed the 30 hours limit for Advisory Consulting services.

We removed, in Item 12, the reference to FolioFN for our Automated Portfolio Management Services which, as noted above, we no longer offer.

Finally, we also amended Item 16 to disclose that if you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

There are other changes that we made to our Appendix 1 ("Wrap Brochure") and we refer you to that document for more information.

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## Item 4 Advisory Business

### Description of Services and Fees

WealthTrak Capital Management, LLC ("WealthTrak") is a registered investment adviser based in Virginia Beach, Virginia. We primarily operate under the name WealthTrak Advisors ("WealthTrak"). We are organized as a limited liability corporation under the laws of the State of Virginia. We have been providing investment advisory services since 2012. R. Chris Whited and Tracy W. Whited are our firm's principal owners. Currently, we offer the following investment advisory services, which are personalized to each individual client:

- Portfolio Management Services
- Financial Planning Services
- Advisory Consulting Services
- Selection of Other Advisers
- Sub-advisory Services
- Pension Consulting

The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we", "our" and "us" refer to WealthTrak, and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm.

### Portfolio Management Services

We offer discretionary and non-discretionary portfolio management services where our investment advice is tailored to meet our clients' needs and investment objectives. Discretionary accounts are offered through our Managed Portfolio Program (i.e., our Wrap Fee Program) and our Managed Variable Insurance Program. See below for more information regarding these programs. If you retain our firm for portfolio management services, we will meet with you to determine your investment objectives, risk tolerance, and other relevant information at the beginning of our advisory relationship. We will use the information we gather to develop a strategy that enables our firm to give you continuous and focused investment advice and/or for discretionary accounts, to make investments on your behalf. As part of our portfolio management services, we may customize an investment portfolio for you according to your risk tolerance and investing objectives or we may invest your assets according to one or more model portfolios developed by our firm. Once we construct an investment portfolio for you or, for most discretionary accounts, select a WealthTrak model portfolio, we will monitor your portfolio's performance on an ongoing basis and, for discretionary accounts, we will rebalance the portfolio as required by changes in the market conditions and in your financial circumstances.

For discretionary accounts, we will require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm and the appropriate trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing.

### **Managed Portfolio Program ("MPP") - Wrap Fee Program**

We are a portfolio manager and sponsor of the Managed Portfolio Program (MPP). Wrap fee programs are a type of investment program that provides clients with access to several money managers and/or to our own managed portfolios. If you participate in our wrap fee program, you will pay our firm a single fee, which includes our money management fees, certain transaction costs, custodial and administrative costs as well as, in many cases, financial planning and consulting fees. We receive a portion of the wrap fee for our services.

The overall cost you will incur if you participate in our wrap fee program may be higher or lower than you might incur by separately purchasing the types of securities available in the program. To compare the cost of the wrap fee program with non-wrap fee portfolio management services, you should consider the frequency of trading activity associated with our investment strategies, the brokerage commissions charged by broker-dealers, and the advisory fees charged by investment advisers. For more information concerning the Wrap Fee Program, please see the separate *Appendix 1* to this Brochure.

### **Managed Variable Insurance Program ("MVIP")**

We offer discretionary portfolio management services for certain variable insurance products where our investment advice is tailored to meet our clients' needs and investment objectives.

### **Financial Planning Services**

We offer financial planning services which typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. These services can range from broad, comprehensive, financial planning to consultative or single subject planning. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. We may also use financial planning software to determine your current financial position and to define and quantify your long-term goals and objectives. Once we specify those long-term objectives (both financial and non-financial), we will develop shorter-term, targeted objectives. Once we review and analyze the information you provide to our firm and the data derived from our financial planning software, we will deliver a written plan to you, designed to help you achieve your stated financial goals and objectives.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information, you provide to us. You must promptly notify our firm in if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

### **Advisory Consulting Services**

We offer consulting services that primarily involve advising clients on specific financial-related topics. The topics we address may include but are not limited to, risk assessment/management, investment planning, financial organization, or financial decision making/negotiation.

### **Automated Retirement Asset Allocation Services**

We may recommend that you use the services of Howard Capital Management, Inc. ("HCM") to provide assistance to plan participants who are seeking advice in choosing and allocating investments within their 401(k) or similar defined contribution plan. Based on the information submitted, HCM will provide recommendations personally designed for your particular investment goals. The recommendations will include advice on which investments to select to properly diversify your portfolio, as well as an asset allocation strategy. HCM will continuously monitor your investments and will update its recommendations at least quarterly. In some cases, HCM's recommendations may not change from the previous quarter, but this does not mean your investment options were not analyzed. HCM may also make additional recommendations when indicated by the HCM-BuyLine<sup>®</sup>, a proprietary indicator that signals when and how much to invest in equities. All recommendations and correspondence will be communicated via e-mail and the HCM website. You should review the Form ADV Part 2A Disclosure Brochure for HCM for more information.

### **401(k) Management Services - HCM 401(k) Optimizer<sup>®</sup>**

The HCM 401(k) Optimizer<sup>®</sup> service is designed to assist employees in choosing and allocating investments of assets held in a 401(k) plan.

### **Thrift Savings Plan Management - "TSP Navigator"**

The HCM TSP Navigator service is designed to assist federal employees in choosing and allocating investments of assets held in a Thrift Savings Plan.

### **Selection of Other Advisers**

We may recommend that you use the services of a third-party money manager ("MM") to manage all, or a portion of, your investment portfolio. After gathering information about your financial situation and objectives, we may recommend that you engage a specific MM or investment program. Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: the MM's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives. We will monitor the MM(s)' performance to ensure its management and investment style remains aligned with your investment goals and objectives.

The MM(s) will actively manage your portfolio and will assume discretionary investment authority over your account. We will assume discretionary authority to hire and fire MM(s) and/or reallocate your assets to other MM(s) where we deem such action appropriate.

### **Sub-advisory Services**

We offer sub-advisory services to unaffiliated third-party money managers (the "Primary Investment Adviser"). As part of these services, we will provide model portfolios, which the Primary Investment Adviser selects for their clients. We will not directly manage the Primary Investment Adviser's individual client accounts. The Primary Investment Adviser will be responsible for selecting the appropriate model for its clients.

### **Pension Consulting Services**

We offer pension consulting services to employee benefit plans and their fiduciaries based upon the needs of the plan and the services requested by the plan sponsor or named fiduciary. In general, these services may include an existing plan review and analysis, plan-level advice regarding fund selection and investment options, education services to plan participants, investment performance monitoring, and/or ongoing consulting. These pension consulting services may be either discretionary or non-discretionary. If non-discretionary, the ultimate decision to act on behalf of the plan shall remain with the plan sponsor or other named fiduciary.

We may also assist with participant enrollment meetings and provide investment-related educational media to plan participants on such topics as:

- Diversification;
- Asset allocation;
- Risk tolerance; and
- Time horizon

Our educational materials may include other investment-related topics specific to the particular plan.

We may also provide additional types of pension consulting services to plans on an individually negotiated basis. These services may include but are not necessarily limited to, discretionary portfolio management of the plan assets. All services, whether discussed above or customized for the plan based upon requirements from the plan fiduciaries (which may include additional plan-level or participant-level services) shall be detailed in a written agreement and be consistent with the parameters set forth in the plan documents.

Either party to the pension consulting agreement may terminate the agreement upon written notice to the other party in accordance with the terms of the agreement for services. The pension consulting fees will be prorated for the quarter in which the termination notice is given and any unearned fees will be refunded to the client.

### **IRA Rollover Recommendations**

Effective December 20, 2021 (or such later date as the US Department of Labor ("DOL") Field Assistance Bulletin 2018-02 ceases to be in effect), for purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, we are providing the following acknowledgment to you.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

We benefit financially from the rollover of your assets from a retirement account to an account that we manage or provide investment advice, because the assets increase our assets under management and, in turn, our advisory fees. As a fiduciary, we only recommend a rollover when we believe it is in your best interest.

### **Types of Investments**

We offer advice on variable insurance product sub-accounts in non-wrap accounts. Please see *Appendix 1* for information regarding the types of investments that we offer advice on in wrap accounts.

### **Assets Under Management**

As of December 31, 2021, we manage \$133,212,242 in client assets on a discretionary basis and \$2,471,998 on a non-discretionary basis.

## **Item 5 Fees and Compensation**

### **Portfolio Management Services for Discretionary (Wrap) Accounts**

Our fee for portfolio management services for our discretionary (i.e., Wrap) accounts is negotiable and based on a percentage of your assets we manage and is set forth in the following fee schedule:

Assets Under Management	Annual Fee
On the First \$500,000	1.95%
On the Next \$500,000	1.50%
On the Next \$1,000,000	0.95%
On the Next \$3,000,000	0.75%
Over \$5,000,000	0.50%



We charge a minimum of \$250 per year. Certain legacy clients may be billed under an older or different fee schedule.

### **Portfolio Management Services for Non-Discretionary Accounts**

Our fee for portfolio management services for our non-discretionary accounts differs from the fee for our discretionary (Wrap) accounts as detailed below. The fee for non-discretionary accounts is negotiable and based on a percentage of your assets we manage and is set forth in the following fee schedule:

Assets Under Management	Annual Fee
On the First \$500,000	1.45%
On the Next \$500,000	0.95%
On the Next \$1,000,000	0.75%
On the Next \$3,000,000	0.60%
Over \$5,000,000	0.45%

We do not charge a minimum fee for our non-discretionary services.

### **Disclosures Applicable to Both Discretionary (Wrap) and Non-Discretionary Accounts**

Depending on the arrangements made at the inception of the engagement, we may agree to our annual asset portfolio management fee being billed and payable quarterly or monthly in advance based on the value of your account on the last day of the previous billing period. For certain legacy clients whose accounts are maintained on a separate third-party platform, billing will be monthly in arrears. If the investment management agreement is executed at any time other than the first day of the billing period, our fees will apply on a pro-rata basis, which means that the advisory fee is payable in proportion to the number of days in the billing period for which you are a client.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above. Assets under the Third Party Platform, as well as non-discretionary assets, may not be combined with other advisory assets for the purpose of reducing advisory fees based on any available breakpoints and/or reductions.

Depending on the arrangements made at the inception of the advisory relationship, we will either send you an invoice for our fees or we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian.
- We send you an invoice showing the amount of the fee, the value of the assets on which the fee is based, and the specific manner in which the fee was calculated.
- The qualified custodian agrees to send you a statement, at least quarterly, indicating all amounts dispersed from your account including the amount of the advisory fee paid directly to our firm.

You may terminate the portfolio management agreement at any time upon written notice to our firm. You will incur a pro-rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the billing period for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

We encourage you to reconcile our invoices with the statement(s) you receive from the qualified custodian. If you find any inconsistent information between our invoice and the statement(s) you receive from the qualified custodian please call our main office number located on the cover page of this brochure.

### **Financial Planning Services**

We offer a complimentary initial consultation at no charge. Thereafter, we charge an hourly fee of \$250 or a negotiable fixed fee that typically ranges from \$495 to \$7,500 for financial planning services, which is negotiable depending on the scope and complexity of the plan, your situation, and your financial objectives. An estimate of the total time/cost will be determined at the start of the advisory relationship. In limited circumstances, the cost/time could potentially exceed the initial estimate. In such cases, we will notify you and request that you approve the additional fee.

Depending on the arrangements made in the agreement for services, fees may be due either upon completion of services rendered, at the inception of the advisory relationship or we may either require that you pay 50% of the fee in advance and the remaining portion upon the completion of the services rendered. In any event, we will not require prepayment of fees more than \$1,200 for services that will not be provided within six months. On occasion, fixed fees might exceed the limit stated above if the size and complexity warrant such a higher fee.

You may terminate the financial planning agreement within five (5) days of signing the agreement without penalty. Thereafter, you may terminate the financial planning agreement at any time upon written notice to our firm. You will incur a pro-rata charge for services rendered prior to the termination of the agreement. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

### **Advisory Consulting Services**

If you engage us for Advisory Consulting Services we charge a negotiable fixed fee that typically ranges from \$495 to \$7,500, depending on the scope and complexity of services to be rendered. These services primarily involve advising clients on specific financial-related topics. The topics we address may include but are not limited to, risk assessment/management, investment planning, financial organization, or financial decision making/negotiation. Depending on the arrangements made in the agreement for services, fees may be due either upon completion of services rendered, at the inception of the advisory relationship or we may either require that you pay a portion of the fee in advance and the remaining portion upon the completion of the services rendered. In any event, we will not require prepayment of a fee of more than \$1,200 for services that will not be provided within six months.

### **Selection of Other Advisers**

Advisory fees charged by MMs are separate and apart from our advisory fees. Depending on the program selected, in certain cases, WealthTrak may absorb the MMs fees. Assets managed by MMs will be included in calculating our advisory fee, which is based on the fee schedule set forth in the Portfolio Management Services section in this brochure. Advisory fees that you pay to the MM are established and payable in accordance with the brochure provided by each MM to whom you are referred. These fees may or may not be negotiable. You should review the recommended MM's brochure and take into consideration the MM's fees along with our fees to determine the total amount of fees associated with this program.

In certain cases, you may be required to sign an agreement directly with the recommended MM(s). In that event, you may terminate your advisory relationship with the MM according to the terms of your agreement with the MM. You should review each MM's brochure for specific information on how you may terminate your advisory relationship with the MM and how you may receive a refund, if applicable. You should contact the MM directly for questions regarding your advisory agreement with the MM.

### **Sub-Advisory Services**

Fees and payment arrangements are negotiable and will vary on a case-by-case basis. We will share in the fee charged by the Primary Investment Advisor and do not charge an additional fee to the Primary Investment Advisor's clients. Terms and conditions of payment, such as termination provisions and whether fees are payable in advance or arrears, will be determined by the Primary Investment Advisor and set forth in their disclosure documents.

### **Pension Consulting Services**

Our Pension Consulting fees for these customized services will be negotiated with the plan sponsor or named fiduciary on a case-by-case basis. Typically our fee ranges from \$1,000 to \$5,000 depending on the complexity and scope of the engagement. On occasion, the fees might exceed the limit stated above if the size and complexity warrant such a higher fee.

Additionally, we will typically also charge a fee based on a percentage of the assets we manage within the plan. The typical range will be between 0.30% and 0.60% depending on the complexity and scope of the plan. This fee will be individually negotiated with the plan sponsor or named fiduciary on a case-by-case basis.

You may terminate the pension consulting services agreement upon written notice to our firm. You will incur a pro-rata charge for services rendered prior to the termination of the agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

### **Additional Fees and Expenses**

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds, separately managed accounts, and/or exchange-traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange-traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. Outside of the Wrap Fee Program, you may incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. Similarly, when we recommend Separately Managed Accounts you may incur additional management or other expenses. To fully understand the total cost you will incur, you should review all fees charged by mutual funds, exchange-traded funds, our firm, and others. For information on our brokerage practices, please refer to the *Brokerage Practices* section of this brochure.

### **Compensation for the Sale of Securities or Other Investment Products**

Certain individuals are registered representatives with Purshe Kaplan Sterling Investments, Inc. ("PKS"), a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In their capacity as registered representatives, these individuals could receive transaction-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by these individuals in their capacity as registered representatives is separate and in addition to our advisory fees. This practice presents a conflict of interest because these individuals, as registered representatives, have an incentive to effect securities transactions for the purpose of generating transaction-based commissions rather than solely based on your needs. However, as investment adviser representatives of WealthTrak, these individuals have a responsibility to make

recommendations that are in the best interests of each client. When appropriate, we may recommend the purchase of "no-load" funds. You are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm. Notwithstanding the above, it is the current policy of WealthTrak that any security purchased through PKS in which transaction-based compensation is received by a registered representative cannot be included in the advisory platform on which the Client's advisory fees are calculated.

Where we recommend that you purchase variable insurance products to be included in your investment portfolio(s) we will generally only recommend no-load products. In the event that a Client wishes to purchase a commissionable product, such product will not be included in the advisory platform on which the Client's advisory fees are calculated.

Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn transaction-based compensation for selling insurance products, including insurance products they sell to you. Insurance compensation earned by these persons is separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating transaction-based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

At our discretion, we may offset our advisory fees to the extent persons associated with our firm earn commissions in their separate capacities as registered representatives and/or insurance agents.

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

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## **Item 7 Types of Clients**

We offer investment advisory services to individuals, retirement plans, trusts, estates, charitable organizations, corporations, and other business entities.

On our Managed Portfolio Program we will generally require a minimum of \$50,000 to open and maintain an advisory account. At our discretion, we may waive this minimum account size. For example, we may waive the minimum if you appear to have significant potential for increasing your assets under our management. We may also combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum. Please note that we do not combine account values between wrap and non-wrap accounts. We do not require any minimum account size for our Digital Advice Platform.

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

We will use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

**Charting Analysis** - involves the gathering and processing of price and volume pattern information for a particular security, sector, broad index, or commodity. This price and volume pattern information is analyzed. The resulting pattern and correlation data are used to detect departures from expected performance and diversification and predict future price movements and trends.

- **Risk:** Our charting analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

**Technical Analysis** - involves studying past price patterns, trends, and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities. An aspect of technical analysis is known as Trend Analysis which tries to predict the future movement of a stock based on past data and to ride that trend until data suggests a trend reversal.

- **Risk:** The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

**Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

- **Risk:** The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Long-Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

- **Risk:** Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

**Short-Term Purchases** - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

- **Risk:** Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of time.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

## **Tax Considerations**

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

## **Risk of Loss**

Investing in securities involves the risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

## **Recommendation of Particular Types of Securities**

In non-wrap accounts, we may use variable insurance product sub-accounts. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

**Variable Annuities:** A variable annuity is a form of insurance where the seller or issuer (typically an insurance company) makes a series of future payments to a buyer (annuitant) in exchange for the immediate payment of a lump sum (single-payment annuity) or a series of regular payments (regular-payment annuity). The payment stream from the issuer to the annuitant has an unknown duration based principally upon the date of death of the annuitant. At this point, the contract will terminate, and the remainder of the funds accumulated forfeited unless there are other annuitants or beneficiaries in the contract. Annuities can be purchased to provide an income during retirement. Unlike fixed annuities that make payments in fixed amounts or in amounts that increase by a fixed percentage, variable annuities, pay amounts that vary according to the performance of a specified set of investments, typically bond and equity mutual funds. Many variable annuities typically impose asset-based sales charges or surrender charges for withdrawals within a specified period. Variable annuities may impose a variety of fees and expenses, in addition to sales and surrender charges, such as mortality and expense risk charges; administrative fees; underlying fund expenses; and charges for special features, all of which can reduce the return. Earnings in a variable annuity do not provide all the tax advantages of 401(k)s and other before-tax retirement plans. Once the investor starts withdrawing money from their variable annuity, earnings are taxed at the ordinary income rate, rather than at the lower capital gains rates applied to other non-tax-deferred vehicles which are held for more than one year. Proceeds of most variable annuities do not receive a "step-up" in cost basis when the owner dies like stocks, bonds, and mutual funds do. Some variable annuities offer "bonus credits". These are usually not free. In order to fund them, insurance companies typically impose mortality and expense charges and surrender charge periods. In an exchange of an existing annuity for a new annuity (so-called 1035 exchanges) the new variable annuity may have a lower contract value and a smaller death benefit; may impose new surrender charges or increase the period of time for which the surrender charge applies; may have higher annual fees, and provide another commission for the broker.

## **Item 9 Disciplinary Information**

WealthTrak has been registered and providing investment advisory services since 2012. Neither our firm nor any of our management persons have any reportable disciplinary information.



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

### **Registrations with Broker-Dealer**

Certain persons providing investment advice on behalf of our firm are registered representatives with Purshe Kaplan Sterling Investments, Inc. ("PKS"), a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. WealthTrak is not affiliated with PKS.

### **Licensed Insurance Agents/Insurance Agency**

Additionally, R. Chris Whited and Tracy Whited are owners of WealthTrak Insurance Services, LLC, an independent insurance agency. If you need insurance, we may refer you to WealthTrak Insurance Services, LLC. In such a case, R. Chris Whited and Tracy Whited will earn compensation for insurance products you purchase through WealthTrak Insurance Services, LLC. Insurance compensation earned by these persons is separate from our advisory fees. This presents a conflict of interest in that we have an incentive to refer you to WealthTrak Insurance Services, LLC. However, as an investment adviser representative of WealthTrak, representatives of our firm have a responsibility to make recommendations that are in the best interests of each client. You are under no obligation to purchase insurance products through any insurance agency that we might recommend.

### **Mortgage Services**

R. Chris Whited is a non-producing manager of Eagle Savings Bank ("ESB"). If you need a mortgage we may refer you to ESB. In such a case, R. Chris Whited may earn compensation for any mortgage you obtain through ESB. Such compensation earned by Mr. Whited is separate from our advisory fees. This presents a conflict of interest in that we have an incentive to refer you to ESB. However, as an investment adviser representative of WealthTrak, representatives of our firm have a responsibility to make recommendations that are in the best interests of each client. You are under no obligation to purchase any mortgage products through any lender that we might recommend.

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

### **Description of Our Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

### **Participation or Interest in Client Transactions**

Neither our firm nor any persons associated with our firm have any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

**Personal Trading Practices**

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

**Item 12 Brokerage Practices**

We participate in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers independent investment advisors services which include custody of securities, trade execution, clearance, and settlement of transactions. We receive some benefits from TD Ameritrade through our participation in the Program.

As disclosed above, we participate in TD Ameritrade's institutional customer program and may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between our participation in the program and the investment advice we give to our clients, although we receive economic benefits through participation in the program that is typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving our participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds and ETFs with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third-party vendors. TD Ameritrade may also have paid for business consulting and professional services received by our related persons. Some of the products and services made available by TD Ameritrade through the program may benefit us but may not benefit our client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by us or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to clients, we endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by us or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

**Research and Other Soft Dollar Benefits**

We do not receive any soft dollar benefits from any broker-dealer.

**Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

**Directed Brokerage**

This section is not applicable to the Managed Variable Insurance Program. WealthTrak does not engage in directed brokerage.

**Block Trades**

This section is not applicable to the Managed Variable Insurance Program.



## Item 13 Review of Accounts

R. Chris Whited, Managing Partner, and Tracy W. Whited, Chief Investment Officer of WealthTrak, will monitor your accounts on an ongoing basis and will conduct account reviews at least annually. We create consolidated reports and, depending on the arrangements made at the inception of the engagement, we may either mail you a written report or make it available to you on your client portal. These reports will contain statistical information about your account. There is also information about your account's holdings as of the end of the period, important disclosure information, and, for those clients invested in the Managed Portfolio Program, a list of one or more comparable benchmarks. The reports that we deliver or make available to you should not be relied upon for tax calculations or any other legal representation.

R. Chris Whited, Managing Partner, and Tracy W. Whited, Chief Investment Officer of WealthTrak, will review financial plans as needed, depending on the arrangements made with you at the inception of your advisory relationship. The reviews are designed to ensure that the planning advice and/or asset allocation recommendations made to you are consistent with your stated investment needs and objectives. It is your responsibility to notify us of any changes in your circumstances or financial needs. Changed circumstances may include but are not limited to marriage, divorce, birth, death, inheritance, lawsuit, retirement, job loss, and/or disability, among others. Unless otherwise agreed to at the inception of the advisory relationship, we will not provide you with additional or regular written updates to the financial plan in conjunction with the review. We recommend meeting with you at least annually to review and update your plan if needed. Additional reviews will be conducted upon your request. Such reviews and updates will be subject to our then-current hourly rate. We will not provide regular written reports for financial planning and consulting services. If you implement financial planning advice through WealthTrak, you will receive trade confirmations and monthly or quarterly statements from relevant custodians.

## Item 14 Client Referrals and Other Compensation

Please refer to the *Brokerage Practices* section above for disclosures on research and other benefits our representatives may receive resulting from their relationship with TD Ameritrade.

As disclosed under the *Fees and Compensation* section in this brochure, persons providing investment advice on behalf of our firm are licensed insurance agents, and certain persons are also registered representatives with Purshe Kaplan Sterling Investments, Inc., a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. For information on the conflicts of interest this presents, and how we address these conflicts, please refer to the *Fees and Compensation* section.

### Other Compensation

We may receive compensation from Howard Capital Management, Inc. and/or The Pacific Financial Group, Inc. for referring clients to them. This arrangement will not cause you to pay more in advisory fees than you would otherwise pay had there been no solicitor's compensation. All referral fees paid to our firm represent a portion of the fees actually charged to you by Howard Capital Management, Inc. and/or The Pacific Financial Group, Inc. for investment advisory services. There is no differential between the amount or level of investment advisory fees that these firms will charge for managing the client account(s) in excess of that which they would customarily charge for managing any other new client's account with similar assets and which was not referred to them by our firm.

## Item 15 Custody

As a clearing agent for our firm, your qualified custodian will directly debit your account(s) for the payment of our advisory fees. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy. We will also provide statements to you reflecting the amount of advisory fee deducted from your account.

You should compare our statements with the statements from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your account statement, or if you did not receive a statement from your custodian, please contact us directly at the telephone number on the cover page of this brochure.

## Item 16 Investment Discretion

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement, and the appropriate trading authorization form(s).

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the *Advisory Business* section in this brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

## Item 17 Voting Client Securities

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder.

Proxy voting rights for assets managed by Third-Party Manager will be the responsibility of the Third-Party Manager. Client may revoke Third-Party Manager's voting authorization at any time by sending a written notice to Advisor. Client retains the responsibility to vote proxies on any assets not managed by a Third-Party Manager.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

## **Item 18 Financial Information**

We are not required to provide a balance sheet or other financial information to our clients because we do not require the prepayment of fees in excess of \$1200 for services that would not be provided within six months; we do not take custody of client funds or securities; and, we do not have a financial condition that is reasonably likely to impair our ability to meet our commitments to you. Moreover, we have never been the subject of a bankruptcy petition.

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

We are a federally registered investment adviser; therefore, we are not required to respond to this item.

## **Item 20 Additional Information**

### **Your Privacy**

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any non-affiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, technology platforms, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

### **Trade Errors**

This section is not applicable to the Managed Variable Insurance Program.

### **Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class-action lawsuit. Moreover, we do not determine whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf.



**Form ADV Part 2A Appendix 1: Wrap Fee Program Brochure**

**Managed Portfolio Program**

**Date: March 29, 2022**

WealthTrak Capital Management, LLC  
DBA **WealthTrak Advisors**

**4536 Bonney Road  
Virginia Beach, VA 23462**

**Telephone: (757) 523-1250**

**Facsimile: (757) 523-2510**

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

This wrap fee program brochure provides information about the qualifications and business practices of WealthTrak Capital Management, LLC dba WealthTrak Advisors. If you have any questions about the contents of this wrap fee program brochure, please contact us at (757) 523-1250. The information in this wrap fee program brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about WealthTrak Capital Management, LLC dba WealthTrak Advisors is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

WealthTrak Capital Management, LLC dba WealthTrak Advisors is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. Generally, we will notify clients of material changes on an annual basis. However, where we determine that an interim notification is either meaningful or required, we will notify our clients promptly. In either case, we will notify our clients in a separate document.

Since the filing of our last annual updating amendment dated February 23, 2021, we have made the following material changes to this Brochure:

We amended Item 4 to remove references to FolioFN as we no longer custody assets at that broker-dealer.

We further amended Item 4 to disclose that, for purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, when we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

We benefit financially from the rollover of your assets from a retirement account to an account that we manage or provide investment advice, because the assets increase our assets under management and, in turn, our advisory fees. As a fiduciary, we only recommend a rollover when we believe it is in your best interest.

There are other amendments to our Form ADV Part 2A Disclosure Brochure and we refer you to that document for more information.

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## Item 4 Services, Fees, and Compensation

### Description of Services

WealthTrak Capital Management, LLC ("WealthTrak") is a registered investment adviser established in 2012 and based in Virginia Beach, Virginia. We primarily do business under the name WealthTrak Advisors ("WealthTrak"). We are organized as a limited liability corporation under the laws of the State of Virginia. R. Chris Whited and Tracy W. Whited are our firm's principal owners.

As used in this wrap fee program brochure, the words "we", "our" and "us" refer to WealthTrak, and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm.

We offer portfolio management services through a wrap-fee program, the Managed Portfolio Program ("MPP" or "Program") as described in this wrap fee program brochure to prospective and existing clients. We are the sponsor and investment adviser for the Program. A wrap-fee program is a type of investment program that provides clients with asset management and brokerage services for one all-inclusive fee. If you participate in our wrap fee program, you will pay our firm a single fee, which includes money management fees, certain transaction costs, and custodial and administrative costs. You are not charged separate fees for the respective components of the total services. We receive a portion of the wrap fee for our services. The overall cost you will incur if you participate in our wrap fee program may be higher or lower than you might incur by separately purchasing the types of securities available in the Program.

Prior to becoming a client under the Program, you will be required to enter into a separate written agreement with us that sets forth the terms and conditions of the engagement and describes the scope of the services to be provided, and the fees to be paid.

### Client Investment Process

We provide discretionary portfolio management services in accordance with your individual investment objectives. If you participate in our discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Subject to a grant of discretionary authorization, we have the authority and responsibility to formulate investment strategies on your behalf. This authorization includes deciding which securities to buy and sell when to buy and sell, and in what amounts, in accordance with your investment program, without obtaining your prior consent or approval for each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm and/or through trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing.

We recommend all types of securities and we do not necessarily recommend one particular type of security over another since each client has different needs and different tolerance for risk. In particular, the securities we may recommend include, but are not necessarily limited to equity securities, warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities, US Government securities, options contracts on securities and commodities, futures contracts on securities and commodities, and interest in partnerships investing in real estate, oil and gas interests, and others.

Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

Assets for program accounts are held at TD Ameritrade, Inc. ("TD Ameritrade"), an unaffiliated SEC registered broker-dealer, (member FINRA/SIPC).

## Changes in Your Financial Circumstances

In providing the contracted services, we are not required to verify any information we receive from you or from your other professionals (e.g. attorney, accountant, etc.) and we are expressly authorized to rely on the information you provide. Furthermore, unless you indicate to the contrary, we shall assume that there are no restrictions on our services, other than to manage your account in accordance with your designated investment objectives. It is your responsibility to promptly notify us if there are ever any changes in your financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

## The Program Fee

We charge an annual "wrap-fee" for participation in the Program depending upon the market value of your assets under our management. You are not charged separate fees for the different components of the services provided by the Program. Our firm pays all expenses of trades placed on your behalf. Our Program fee includes our fees as portfolio manager for the management of your account and any brokerage costs related to clearing and execution. Assets in each of your account(s) are included in the fee assessment unless specifically identified in writing for exclusion. In special circumstances, and in our sole discretion, we may negotiate a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, the dollar amount of assets to be managed, related accounts, account composition, pre-existing client relationship, account retention, etc.).

On an annualized basis, our Program fees are as follows:

<b>Assets Under Management</b>	<b>Annual Fee</b>
On the First \$500,000	1.95%
On the Next \$500,000	1.50%
On the Next \$1,000,000	0.95%
On the Next \$3,000,000	0.75%
Over \$5,000,000	0.50%

As an example, if your portfolio value was \$600,000 on the last day of the previous calendar quarter, you would pay 1.95% on the first \$500,000 (or \$9,750) plus 1.50% on the next \$100,000 (or \$1,500) for a total of \$11,250.

Certain legacy clients may be billed under an older or different fee schedule.

Where a third-party money manager ("MM") is involved, our advisory fee is separate and in addition to the advisory charged by the third-party manager. Advisory fees that you pay to the MM are established and payable in accordance with the brochure provided by each MM to whom you are referred. These fees may or may not be negotiable. You should review the recommended MM's brochure and take into consideration the MM's fees along with our fees to determine the total amount of fees associated with this program.

Depending on the arrangements made at the inception of the engagement, we may agree to our annual asset management fee being billed and payable quarterly or monthly in advance based on the value of your account on the last day of the previous billing period. For certain legacy clients, whose accounts are maintained on a separate third-party platform, billing will be monthly in arrears. If the investment management agreement is executed at any time other than the first day of the billing period, our fees will apply on a pro-rata basis, which means that the advisory fee is payable in proportion to the number of days in the billing period for which you are a client.

You may withdraw account assets on notice to our firm, and subject to the usual and customary securities settlement procedures. However, we design our portfolios as long-term investments and asset withdrawals may impair the achievement of your specific investment objectives.



We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy. Generally, we will receive a duplicate copy of your account statements.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

### **Termination of Advisory Relationship**

Either party may terminate the agreement at any time upon written notice to the other party. The management fee will be pro-rated for the billing period in which you give cancellation notice. We will refund any unearned fee to you.

### **Wrap Fee Program Disclosures**

- The benefits under a wrap fee program depend, in part, upon the size of the Account, the management fee charged, and the number of transactions likely to be generated in the Account. For example, a wrap fee program may not be suitable for Accounts with little trading activity. In order to evaluate whether a wrap fee program is suitable for you, you should compare the Program Fee and any other costs of the Program with the amounts that would be charged by other advisers, broker-dealers, and custodians, for advisory fees, brokerage, and other execution costs, and custodial services comparable to those provided under the Program.
- In considering the investment programs described in this brochure, you should be aware that participating in a wrap fee program may cost more or less than the cost of purchasing advisory, brokerage, and custodial services separately from other advisers or broker-dealers.
- Our firm and Associated Persons receive compensation as a result of your participation in the Program. This compensation may be more than the amount our firm or the Associated Persons would receive if you paid separately for investment advice, brokerage, and other services. Accordingly, a conflict of interest exists because our firm and our Associated Persons have a financial incentive to recommend the Program.
- Similar advisory services may be available from other registered investment advisers for lower fees.

### **Additional Fees and Expenses**

The Program Fee includes the costs of brokerage commissions for transactions executed through the Qualified Custodian (or a broker-dealer designated by the Qualified Custodian), and charges relating to the settlement, clearance, or custody of securities in the Account. The Program Fee does not include mark-ups and mark-downs, dealer spreads or other costs associated with the purchase or sale of securities, interest, taxes, or other costs, such as national securities exchange fees, charges for transactions not executed through the Qualified Custodian, costs associated with exchanging currencies, wire transfer fees, or other fees required by law or imposed by third parties. The Account will be responsible for these additional fees and expenses.

The wrap program fees that you pay to our firm for portfolio management services are separate and distinct from the fees and expenses charged by mutual funds or exchange-traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. Similarly, when

we recommend Separately Managed Accounts you may incur additional management or other expenses. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange-traded funds, our firm, and others.

Persons providing investment advice to advisory clients on behalf of our firm can select or recommend, and in many instances will select or recommend, mutual fund investments in share classes that charge 12b-1 fees when clients are eligible to purchase share classes of the same funds that do not charge such fees and are less expensive. We do not receive any part of those 12b-1 fees. However, this nevertheless, presents a conflict of interest since purchasing a lower cost share class would increase our transaction costs. However, if we were to do so, we would have to increase our fees to offset such costs and, therefore, we believe the conflict of interest is mitigated. You are under no obligation, contractually or otherwise, to accept our recommendation to purchase such securities products although if you do not wish to purchase such securities products you must inform us of your restriction regarding same.

### **IRA Rollover Recommendations**

Effective December 20, 2021 (or such later date as the US Department of Labor ("DOL") Field Assistance Bulletin 2018-02 ceases to be in effect), for purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, we are providing the following acknowledgment to you.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

We benefit financially from the rollover of your assets from a retirement account to an account that we manage or provide investment advice, because the assets increase our assets under management and, in turn, our advisory fees. As a fiduciary, we only recommend a rollover when we believe it is in your best interest.

## **Item 5 Account Requirements and Types of Clients**

We offer investment advisory services to individuals, retirement plans, trusts, estates, charitable organizations, corporations, and other business entities.

In general, we require a minimum of \$50,000 to open and maintain an advisory account. At our discretion, we may waive this minimum account size. For example, we may waive the minimum if you appear to have significant potential for increasing your assets under our management. We may also combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum. Please note that we do not combine account values between wrap and non-wrap accounts.

## **Item 6 Portfolio Manager Selection and Evaluation**

We are the sponsor and sole portfolio manager for the Program.

### **Performance-Based Fees and Side-by-Side Management**

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described above and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

### **Our Methods of Analysis and Investment Strategies**

We will use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

**Charting Analysis** - involves the gathering and processing of price and volume pattern information for a particular security, sector, broad index or commodity. This price and volume pattern information is analyzed. The resulting pattern and correlation data are used to detect departures from expected performance and diversification and predict future price movements and trends.

- **Risk:** Our charting analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

**Technical Analysis** - involves studying past price patterns, trends, and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities. An aspect of technical analysis is known as Trend Analysis which tries to predict the future movement of a stock based on past data and to ride that trend until data suggests a trend reversal.

- **Risk:** The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

**Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

- **Risk:** The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Long-Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

- **Risk:** Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

**Short-Term Purchases** - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

- **Risk:** Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect

financial market performance in the short term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of time.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

### **Tax Considerations**

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

Moreover, as a result of revised IRS regulations, custodians and broker-dealers will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the FIFO (First-In First-Out) accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert the account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

### **Risk of Loss**

Investing in securities involves a risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

### **Proxy Voting**

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder. In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

Proxy voting rights for assets managed by Third-Party Manager will be the responsibility of the Third-Party Manager. Client may revoke Third-Party Manager's voting authorization at any time by sending a written notice to Advisor. Client retains the responsibility to vote proxies on any assets not managed by a Third-Party Manager.

## **Item 7 Client Information Provided to Portfolio Managers**

As required, in order to provide the Program services, we will provide your private information to your account custodian. We may also provide your private information to mutual fund companies and/or private managers. We will only share the information necessary in order to carry out our obligations to you in servicing your account. We share your personal account data in accordance with our privacy policy as described below.

### **Privacy Policy**

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any non-affiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, insurance agencies and insurance companies, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

## **Item 8 Client Contact with Portfolio Managers**

Without restriction, you should contact our firm or your advisory representative directly with any questions regarding your Program account.

## **Item 9 Additional Information**

### **Disciplinary Information**

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

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

#### **Licensed Insurance Agents/Insurance Agency**

Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate from our advisory fees. Please see the *Services, Fees, and Compensation* section in this brochure for more information on the compensation received by insurance agents who are affiliated with our firm.

Additionally, R. Chris Whited and Tracy Whited are owners of WealthTrak Insurance Services, LLC, an independent insurance agency. If you need insurance, we may refer you to WealthTrak Insurance Services, LLC. In such case, R. Chris Whited and Tracy Whited will earn compensation for insurance products you purchase through WealthTrak Insurance Services, LLC. Insurance compensation earned by these persons is separate from our advisory fees. This presents a conflict of interest in that we have an incentive to refer you to WealthTrak Insurance Services, LLC. However, as an investment adviser representative of WealthTrak, representatives of our firm have a responsibility to make recommendations that are in the best interests of each client. You are under no obligation to purchase insurance products through any insurance agency that we might recommend.

R. Chris Whited is a non-producing manager of Eagle Savings Bank ("ESB"). If you need a mortgage we may refer you to ESB. In such a case, R. Chris Whited may earn compensation for any mortgage you obtain through ESB. Such compensation earned by Mr. Whited is separate from our advisory fees. This presents a conflict of interest in that we have an incentive to refer you to ESB. However, as an investment adviser representative of

WealthTrak, representatives of our firm have a responsibility to make recommendations that are in the best interests of each client. You are under no obligation to purchase any mortgage products through any broker that we might recommend.

### **Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this wrap fee program brochure.

### **Participation or Interest in Client Transactions**

Neither our firm nor any of our Associated Persons have any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

### **Personal Trading Practices**

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

### **Review of Accounts**

R. Chris Whited, Managing Partner, and Tracy W. Whited, Chief Investment Officer of WealthTrak, will monitor your accounts on an ongoing basis and will conduct account reviews at least annually. We create consolidated reports and, depending on the arrangements made at the inception of the engagement, we may either mail you a written report or make it available to you on your client portal. These reports will contain statistical information about your account. There is also information about your account's holdings as of the end of the period and important disclosure information. The reports that we deliver or make available to you should not be relied upon for tax calculations or any other legal representation.

### **Client Referrals and Other Compensation**

As disclosed under the *Services, Fees, and Compensation* section in this wrap fee program brochure, persons providing investment advice on behalf of our firm may be licensed insurance agents and registered representatives. For information on the conflicts of interest this presents, and how we address these conflicts, please refer to the *Services, Fees, and Compensation* section.

### **Block Trades**

We may combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders,



each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

**Financial Information**

We are not required to provide a balance sheet or other financial information to our clients because we do not require the prepayment of fees in excess of \$1,200 and six months or more in advance; we do not take custody of client funds or securities; and, we do not have a financial condition that is reasonably likely to impair our ability to meet our commitments to you. Moreover, we have never been the subject of a bankruptcy petition

**Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

**Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class-action lawsuit. Moreover, we do not determine whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf.

**Item 10 Requirements for State-Registered Advisers**

We are a federally registered investment adviser; therefore, we are not required to respond to this item.

Neither our firm, nor any of our management persons have a material relationship or arrangement with any issuer of securities.