

**Item 1 – Cover Page**

**WebsterRogers Financial Advisors, LLC**

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

**March 20, 2013**

This Brochure provides information about the qualifications and business practices of WebsterRogers Financial Advisors, LLC “WRFA.” If you have any questions about the contents of this Brochure, please contact us at (843) 665-6321. 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.

WRFA is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about WRFA also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for WRFA is 121006.

## Item 2 – Material Changes

This Item of the Brochure will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. The last update of our brochure was March 30, 2012.

We have made the following material change:

- Items 5 and 7 – We have indicated a revision to the minimum account size and minimum fee for investment management services and participant-directed retirement plan services.

In addition, please note that we have updated the Assets Under Management information in Item 4 in accordance with the filing of our Annual Updating Amendment on 03/20/2013.

(Brochure Date: 03/20/2013)

(Date of Most Recent Annual Updating Amendment: 03/20/2013)

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Linda Russell, Chief Compliance Officer at (843) 665-6321.

Additional information about WRFA is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with WRFA who are registered, or are required to be registered, as investment adviser representatives of WRFA.

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## **Item 4 – Advisory Business**

WRFA is owned by Partners of the accounting firm WebsterRogers LLP and has been providing advisory services since 1999.

As of December 31, 2012, WRFA managed \$165,970,181 on a discretionary basis.

### **Investment Management Services**

WRFA will work with the client to determine the client's investment objectives and investor risk profile and will design a written investment policy statement. WRFA uses investment and portfolio allocation software to evaluate alternative portfolio designs. WRFA evaluates the client's existing investments with respect to the client's investment policy statement. WRFA works with new clients to develop a plan to transition from the client's existing portfolio to the portfolio recommended by WRFA. WRFA will then continuously monitor the client's portfolio holdings and the overall asset allocation strategy and hold regular review meetings with the client regarding the account as necessary.

WRFA will typically create a portfolio of no-load mutual funds, and may use model portfolios if the models match the client's investment policy. WRFA will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. WRFA primarily recommends portfolios consisting of mutual funds offered by Dimensional Fund Advisors (DFA). DFA sponsored mutual funds follow a passive asset class investment philosophy with low holdings turnover. Client portfolios may also include some individual equity securities.

WRFA manages mutual fund and equity portfolios on a discretionary or nondiscretionary basis. WRFA may impose any reasonable restrictions on WRFA's discretionary authority, including restrictions on the types of securities in which WRFA may invest client's assets and on specific securities, which the client may believe to be appropriate.

In certain circumstances, clients may already own individual equity securities. WRFA will monitor these securities and recommend their sale for tax harvesting purposes. WRFA does not provide advice on the merits of purchasing, selling or holding these securities apart from the tax consequences to the client.

WRFA may also recommend fixed income portfolios to advisory clients, which consist of managed accounts of individual bonds. WRFA will request discretionary authority from

advisory clients to manage fixed income portfolios, including the discretion to retain a third party fixed income manager. WRFA will prepare a separate Fixed Income Investment Policy Statement for any client qualifying for separate fixed income portfolio services.

Pursuant to its discretionary authority, WRFA will retain a fixed income securities manager. The fixed income securities manager will be provided with the discretionary authority to invest client assets in fixed income securities consistent with the client's Fixed Income Investment Policy Statement. The manager will also monitor the account for changes in credit ratings, security call provisions, and tax loss harvesting opportunities (to the extent that the manager is provided with cost basis information). The manager will obtain WRFA's consent prior to the sale of any client securities. BAM Advisor Services, L.L.C., which provides back office services to WRFA is currently the fixed income manager selected by WRFA. See below under General Information for a description of the back office services provided.

On an ongoing basis, WRFA will answer clients' inquiries regarding their accounts and review periodically with clients the performance of their accounts. WRFA will periodically, and at least annually, review client's investment policy, risk profile and discuss the re-balancing of each client's accounts to the extent appropriate. WRFA will provide to investment manager any updated client financial information or account restrictions necessary for investment manager to provide sub-advisory services. Complete, laddered fixed income portfolios generally require a minimum investment of \$400,000.

In addition to managing the client's investment portfolio, WRFA may consult with clients on various financial areas including income and estate tax planning, business sale structures, college financing planning, retirement planning, insurance analysis, personal cash flow analysis, establishment and design of retirement plans, and trust designs, among other things. These consultations are not specifically identified as contractual terms between the client and WRFA and will be provided as mutually deemed necessary by WRFA and the client.

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

WRFA may also provide investment consulting and/or financial planning services apart from the Investment Management Services listed above. Among other things, WRFA will work with clients to determine the client's investment objectives and investor risk profile, and will analyze the client's current investment program, making recommendations (including asset allocation models) where appropriate. WRFA may provide advice on

various financial planning topics to clients as mutually deemed necessary by WRFA and a client.

### **Participant-Directed Retirement Plan Services**

WRFA also provides advisory services to the sponsors/plan fiduciaries of participant-directed retirement plans. WRFA will analyze the plan's current investment platform, and assist the plan in creating an investment policy statement defining the types of investments to be offered and the restrictions that may be imposed. WRFA will recommend investment options to achieve the plan's objectives, provide participant education meetings, and monitor the performance of the plan's investment vehicles.

WRFA will recommend changes in the plan's investment vehicles as may be appropriate from time to time. WRFA will review the plan's investment vehicles and investment policy as necessary.

WRFA will also assist the plan sponsor/trustee select a third party administrator for plan administration, and assist the plan to coordinate activities with an administrator. WRFA will recommend one or more third party administrators that generally offer platforms enabling transaction in securities recommended by WRFA, and daily account access to participants.

In certain circumstances, an attendee at a participant education meeting may ask the WRFA person leading the session to address issues specific to that attendee's situation. The WRFA representative may choose to privately address that person's questions. Any such specific advice will be provided to that participant only and at no charge, in the hope the participant may be interested in using WRFA's services. All such specific advice is entirely separate and distinct from the education services provided to pension plan participants by WRFA.

### **Advisors Access™ 401k**

WRFA further offers the Advisors Access™ 401k in coordination with BAM Advisor Services, LLC. In Advisors Access™, WRFA provides those services as described above with the direct support of BAM Advisor Services. Clients choosing Advisors Access™ will engage both WRFA and BAM Advisor Services, which will provide to the client additional discretionary investment management services.

In Advisors Access™, BAM Advisor Services will exercise discretionary authority to select the plan investments made available to plans' participants. BAM Advisor Services will

exercise discretionary authority to select and maintain the plans' investments according to the goals and investment objectives of the plan.

WRFA will continue to work with plans to monitor plan investments, provide fiduciary plan advice including regular considerations of the goals and objectives of the plan, and provide participant education services to the plan.

## **Item 5 – Fees and Compensation**

### **Investment Management Services**

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

<b>Assets under Management</b>	<b>Annual Fee (%)</b>
Up to \$499,999	1.50%
\$500,000 - \$999,999	1.25%
Over \$1,000,000	1.00%

All accounts for members of the clients family (husband, wife and dependent children) or related businesses (non-fiduciary status accounts) may be assessed fees based on the total balance of all accounts.

A minimum of \$250,000 of assets under management is required for investment management services. A minimum of \$400,000 is generally required for management services of portfolios of individual fixed income securities. A minimum fee of \$3,750, which is the application of our fee schedule to \$250,000 in assets under management, is required.

Clients will be invoiced in advance at the beginning of each calendar quarter based upon the value (market value based on independent third party sources or fair market value in the absence of market value; client account balances on which WRFA calculates fees may vary from account custodial statements based on independent asset valuations and other accounting variances, including mechanisms for including accrued interest in account statements), of the client's account at the end of the previous quarter.

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

Clients will be billed an hourly rate for this service, ranging from \$75 per hour to \$250 per hour, based on the nature and complexity of the client's situation. Fees are payable within 30 days of presentation of the bill to the client.

## **Participant-Directed Retirement Plan Services**

The annual fee for plan services will be charged as a percentage of assets within the plan as follows:

<b>Plan Assets</b>	<b>Annual Fee (%)</b>
\$0 - \$499,999	1.15%
\$500,000 - \$1,000,000	0.95%
Over \$1,000,000	0.75%

Plans will be invoiced in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value) of the client's account at the end of the previous quarter. New accounts are charged a prorated fee for the remainder of the quarter in which the account is incepted (date of first trade).

Advisors Access™ 401(k) standard fee schedule is as follows:

<b>Assets Under Management</b>	<b>Annual Fee</b>
On the first \$1,000,000	1.00%
On the next \$1,000,000	0.75%
On the next \$3,000,000	0.55%
On the next \$5,000,000	0.40%
On all amounts thereafter	0.35%

WRFA and BAM Advisor Services share this fee according to a percentage negotiated between WRFA and BAM Advisor Services.



A minimum of \$350,000 of assets under management is required for participant-directed retirement plan services. A minimum fee of \$4,025, which is the application of our fee schedule to \$350,000 in assets under management, is required.

In certain circumstances, all fees, account minimums and their applications to family circumstances may be negotiable.

In 2012 and prior years WRFA followed separate fee schedules, which remain in effect with clients who signed agreements with WRFA during such period and who have not agreed to an amended advisory fee schedule.

### **Additional General Information**

WRFA has contracted with BAM Advisor Services, LLC (BAM), for services including trade processing, collection of management fees, record maintenance, report preparation, marketing assistance, and research. WRFA pays a fee for BAM services based on management fees paid to WRFA on accounts that use BAM Advisor Services. The fee paid by WRFA to BAM consists of a portion of the fee paid by clients to WRFA and varies based on the total client assets participating in BAM Advisor Services through WRFA. These fees are not separately charged to advisory clients.

WRFA may request authority from clients to receive quarterly payments directly from the client's account held by an independent custodian. Clients may provide written limited authorization to WRFA or its designated service provider, BAM, to withdraw fees from the account. WRFA will send to the client an invoice showing the amount of the fee, the value of the client's assets on which the fee was based, and the specific manner in which the fee was calculated. Clients should verify the accuracy of the fee calculations in such invoices. Fees for certain pension plan clients using third party administration services are otherwise calculated by the third party administration service provider rather than WRFA, and the third party administration service provider remits the fee to WRFA.

A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded and any earned, unpaid fees will be due and payable. Investment Consulting fees may be refunded to clients who hire WRFA for Investment Management services within 30 days of the payment of the consulting bill.

All fees paid to WRFA for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management

fee, other fund expenses, and a possible distribution fee. A client could invest in mutual funds directly, without the services of WRFA. In that case, the client would not receive the services provided by WRFA which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by WRFA to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided

WRFA's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to WRFA's fee, and WRFA shall not receive any portion of these commissions, fees, and costs.

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

WRFA does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). All fees are calculated as described above and are not charged on the basis of income or capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

## **Item 7 – Types of Clients**

WRFA manages investment portfolios for individuals, qualified retirement plans, trusts, and small businesses.

WRFA requires a minimum account of \$250,000 for investment management services and a minimum of \$350,000 for participant-directed retirement plan services. A minimum account size of \$400,000 is required for fixed income portfolio management services. These account sizes may be negotiable under certain circumstances.

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

*Methods of Analysis and Investment Strategy*

WRFA's services are based on long-term investment strategies incorporating the principles of Modern Portfolio Theory. WRFA's investment approach is firmly rooted in the belief that markets are "efficient" over periods of time and that investors' long-term returns are determined principally by asset allocation decisions, rather than market timing or stock picking. WRFA recommends diversified portfolios, principally through the use of passively managed, asset class mutual funds. WRFA selects or recommends to clients portfolios of securities, principally broadly-traded open end mutual funds or conservative fixed income securities to implement this investment strategy.

Although all investments involve risk, WRFA's investment advice seeks to limit risk through broad diversification among asset classes and, as appropriate for particular clients the investment directly in conservative fixed income securities to represent the fixed income class. WRFA's investment philosophy is designed for investors who desire a buy and hold strategy. Frequent trading of securities increases brokerage and other transaction costs that WRFA's strategy seeks to minimize.

In the implementation of investment plans, WRFA therefore primarily uses mutual funds and, as appropriate, portfolios of conservative fixed income securities. WRFA may also utilize Exchange Traded Funds (ETFs) to represent a market sector.

Clients may hold or retain other types of assets as well, and WRFA may offer advice regarding those various assets as part of its services. Advice regarding such assets will generally not involve asset management services but may help to more generally assist the client.

WRFA's strategies do not utilize securities that we believe would be classified as having any unusual risks, and we do not recommend frequent trading, which can increase brokerage and other costs and taxes.

WRFA receives supporting research from BAM Advisor Services and from other consultants, including economists affiliated with Dimensional Fund Advisors ("DFA"). WRFA utilizes DFA mutual funds in client portfolios. DFA mutual funds follow a passive asset class investment philosophy with low holdings turnover. DFA provides historical market analysis, risk/return analysis, and continuing education to WRFA.

#### *Analysis of a Client's Financial Situation*

In the development of investment plans for clients, including the recommendation of an appropriate asset allocation, WRFA relies on an analysis of the client's financial objectives, current and estimated future resources, and tolerance for risk. To derive a recommended

asset allocation, WRFA may use a Monte Carlo simulation, a standard statistical approach for dealing with uncertainty. As with any other methods used to make projections into the future, there are several risks associated with this method, which may result in the client not being able to achieve their financial goals. They include:

- The risk that expected future cash flows will not match those used in the analysis
- The risk that future rates of return will fall short of the estimates used in the simulation
- The risk that inflation will exceed the estimates used in the simulation
- For taxable clients, the risk that tax rates will be higher than was assumed in the analysis

### *Risk of Loss*

#### **Investing in securities involves risk of loss that clients should be prepared to bear.**

All investments present the risk of loss of principal – the risk that the value of securities (mutual funds, ETFs and individual bonds), when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment.

The mutual funds and ETFs utilized by WRFA may include funds invested in domestic and international equities, including real estate investment trusts (REITs), corporate and government fixed income securities and commodities. Equity securities may include large capitalization, medium capitalization and small capitalization stocks. Mutual funds and ETF shares invested in fixed income securities are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

Among the riskiest mutual funds used in WRFA's investment strategies funds are the U.S. and International small capitalization and small capitalization value funds, emerging markets funds, and commodity futures funds. Conservative fixed income securities have lower risk of loss of principal, but most bonds (with the exception of Treasury Inflation Protected Securities, or TIPS) present the risk of loss of purchasing power through lower expected return. This risk is greatest for longer-term bonds.

Certain funds utilized by WRFA may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be greater with investments in developing countries.

More information about the risks of any particular market sector can be reviewed in representative mutual fund prospectuses managing assets within each applicable sector.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of WRFA or the integrity of WRFA's management. WRFA has no information applicable to this Item.

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

Members and employees of WRFA are also partners and employees of WebsterRogers LLP, an accounting firm. WebsterRogers LLP (hereinafter "WR") may recommend WRFA to accounting clients in need of advisory services. WRFA may recommend WR to advisory clients in need of accounting services. Accounting services provided by WR are separate and distinct from the advisory services of WRFA, and are provided for separate and typical compensation. There are no referral fee arrangements between WRFA and WR for these recommendations. No WRFA client is obligated to use WR for any accounting services. WR also offers administration services to pension plans, which are also separate and distinct.

WR is also the majority owner (via a holding company) of WR Sequence Investment Partners, LLC, a FINRA member broker/dealer. WR Sequence assists companies with debt restructuring, growth capital, mergers, acquisitions and exit strategies. WR Sequence's services may be appropriate for advisory clients of WRFA, and either WR or WRFA may refer clients to WR Sequence. WRFA would not however manage assets subject to WR Sequence's services, or otherwise receive advisory fees based on a percentage of such assets. WRFA may, as appropriate, provide advice to a client regarding the need to restructure a business, obtain new financing, or other services that would be provided by WR Sequence, and therefore may refer clients to WR Sequence. In this situation, a potential conflict of interest exists as Members of WRFA have an indirect ownership in WR Sequence and may benefit financially from WR Sequence business.

One Member of WRFA, William Michael Grady, is a registered representative of WR Sequence. Mr. Grady, who is also a Partner of WR, is not an advisory representative of

WRFA. Mr. Grady does not engage in the provision of WRFA's advisory services and is not engaged in transactions involving investment advisory managed accounts.

#### BAM Advisor Services, LLC

As described above in Item 4, WRFA may exercise discretionary authority provided by a client to select an independent third party investment manager for the management of portfolios of individual fixed income securities. WRFA selects BAM Advisors Services, LLC for such fixed income management. WRFA also contracts with BAM Advisor Services, LLC for back office services and assistance with portfolio modeling. WRFA has a fiduciary duty to select qualified and appropriate managers in the client's best interest, and believes that BAM Advisor Services, LLC effectively provides both the back office services that assist with its overall investment advisory practice and fixed income portfolio management services. The management of WRFA continuously makes this assessment. While WRFA has a contract with BAM Advisor Services, LLC governing a time period for back office services, WRFA has no such fixed commitment to the selection of BAM Advisor Services, LLC for fixed income management services and may select another investment manager for clients upon reasonable notice to BAM Advisor Services, LLC.

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

WRFA has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. WRFA's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients and sets forth WRFA's practice of supervising the personal securities transactions of employees with access to client information. Individuals associated with WRFA may buy or sell securities for their personal accounts identical or different than those recommended to clients. It is the expressed policy of WRFA that no person employed by the firm shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on investment decisions of advisory clients.

To supervise compliance with its Code of Ethics, WRFA requires that anyone associated with this advisory practice with access to advisory recommendations provide annual securities holding reports and quarterly transaction reports to the firm's principal. WRFA also requires such access persons to receive approval from the Chief Compliance Officer prior to investing in any IPO's or private placements (limited offerings).

WRFA's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information and protecting the confidentiality of client information. WRFA

requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

WRFA will provide a complete copy of its Code of Ethics to any client or prospective client upon request.

## **Item 12 – Brokerage Practices**

WRFA arranges for the execution of securities transactions with the assistance of BAM Advisor Services. Through BAM, WRFA may participate in the Schwab Advisor Services (SAS) program offered to independent investment advisers by Charles Schwab & Company, Inc., member FINRA/SIPC, and the Fidelity Institutional Wealth Services (FIWS) program offered to independent investment advisers, sponsored by Fidelity Brokerage Services, LLC ("Fidelity"), member FINRA/SIPC. Schwab and Fidelity are unaffiliated SEC-registered broker dealers and FINRA member broker dealers.

The Schwab and Fidelity brokerage programs will generally be recommended to advisory clients for the execution of mutual fund and equity securities transactions. WRFA regularly reviews these programs to ensure that its recommendations are consistent with its fiduciary duty. These trading platforms are essential to WRFA's service arrangements and capabilities, and WRFA may not accept clients who direct the use of other brokers. As part of these programs, WRFA receives benefits that it would not receive if it did not offer investment advice (See the disclosure under Item 14 of this Brochure).

As WRFA will not request the discretionary authority to determine the broker dealer to be used or the commission rates to be paid in these situations, clients must direct WRFA as to the broker dealer to be used. In directing the use of a particular broker or dealer, it should be understood that WRFA will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. Not all investment advisers require clients to direct the use of specific brokers.

WRFA will not exercise authority to arrange client transactions in fixed income securities. Clients will provide this authority to a fixed income manager retained by WRFA on client's behalf by designating the portfolio manager with trading authority over client's brokerage account. Clients will be provided with the Disclosure Brochure (Form ADV Part 2) of portfolio manager.

Schwab and Fidelity do not generally charge clients a custody fee and are compensated by account holders through commissions or other transaction-related fees for securities

trades that are executed through the broker or that settle into the clients' accounts at the brokers. Trading client accounts through other brokers may result in fees (including mark-ups and mark-downs) being charged by the custodial broker and an additional broker. While WRFA will not arrange transactions through other brokers, the authority of the fixed income portfolio manager includes the ability to trade client fixed income assets through other brokers.

WRFA also does not have any arrangements to compensate any broker dealer for client referrals. WRFA does not maintain any client trade error gains. WRFA makes client whole with respect to any trade error losses incurred by client caused by WRFA.

WRFA generally does not aggregate any client transactions in mutual fund or other securities. Client accounts are individually reviewed and managed, and transaction costs are not saved by aggregating orders in almost all circumstances in which WRFA arranges transactions. BAM Advisor Services, LLC, in the management of fixed income portfolios, will aggregate certain transactions among client accounts that it manages, in which case an WRFA client's orders may be aggregated with an order for another client of BAM Advisor Services, LLC who is not an WRFA client. See BAM Advisor Services, LLC Form ADV Part 2.

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

WRFA may, if requested by the client, assist the client in the selection of a stock broker. Recommendations are made based on several factors, including (but not limited to) the broker's reputation, commission cost, the ability of the broker to provide any specialized services required by the client, and WRFA's experience with the broker. Except for the benefits received from Schwab and Fidelity described below, WRFA receives no benefits from any recommended broker-dealer.

### **Participant-Directed Retirement Plan Services**

WRFA does not arrange for the execution of securities transactions for participant directed retirement plans as a part of this service. Transactions are executed directly through employee plan participation and a third party administrator.

## **Item 13 – Review of Accounts**

### **Investment Management Services**

Account assets are supervised continuously and formally reviewed quarterly by the following individuals at WRFA: Frank M. Rogers IV, Managing Member, Nathan Love,



Investment Adviser Representative, and Linda P. Russell, Chief Compliance Officer and Investment Adviser Representative. The review process contains each of the following elements:

- a. assessing client goals and objectives;
- b. evaluating the employed strategy(ies);
- c. monitoring the portfolio(s); and
- d. addressing the need to rebalance.

Additional account reviews may be triggered by any of the following events:

- a. a specific client request;
- b. a change in client goals and objectives;
- c. an imbalance in a portfolio asset allocation; and
- d. market/economic conditions.

For fixed income portfolios, certain account review responsibilities are delegated to a third party investment manager as described above in Item 4.

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

Clients may have their accounts reviewed as contracted for in the advisory agreement.

### **Participant-Directed Retirement Plan Services**

Pension plan assets are reviewed on a quarterly basis, and according to the standards and situations described above for investment management accounts.

### **Reports:**

Investment Management and Pension Plan Services clients will receive quarterly performance reports, prepared by BAM and reviewed by WRFA, that summarize the client's account and asset allocation. Clients will also receive monthly statements from their account custodian, which will outline the client's current positions and current market value.

Clients that are enrolled with third party administrative services have access to online reports that are updated daily. These reports include balances by funds, quarterly reports, transaction reports and funds by source reports.

Investment Consulting clients will receive any reports contracted for in the advisory agreement.

Advisors Access™ 401(k) provides annual reports with fiduciary benchmarks to plan sponsors. Advisors Access™ 401(k) also provides quarterly information regarding investment returns and participant education that may be distributed by the sponsor or plan's administrator to the participants of the plan.

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

As indicated under the disclosure for Item 12, SAS and FIWS each respectively provide WRFA with access to services, which are not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge to them.

These services benefit WRFA but may not benefit its clients' accounts. Many of the products and services assist WRFA in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of WRFA's fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of WRFA's accounts. Recommended brokers also make available to WRFA other services intended to help WRFA manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing.

WRFA does not enter into any commitments with the brokers for transaction levels in exchange for any services or products from brokers.

WRFA also receives software from DFA, which WRFA utilizes in forming asset allocation strategies and producing performance reports. DFA also provides continuing education for WRFA personnel. These services are designed to assist WRFA plan and design its services for business growth.

## **Item 15 – Custody**

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. WRFA urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

For discretionary accounts, WRFA requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

For fixed income portfolios, certain account review responsibilities are delegated to a third party investment manager as described above in Item 4.

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

As a matter of firm policy and practice, WRFA does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Clients will receive applicable proxies directly from the issuer of securities held in clients' investment portfolios. WRFA may provide advice to clients regarding the clients' voting of proxies.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about WRFA's financial condition. WRFA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.