



WFG Advisors, LP

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09/15/2012

ADV Part 2

This Brochure provides information about the qualifications and business practices of WFG Advisors, LP. If you have any questions about the contents of this Brochure, please contact us at 800.225.3650. 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.

WFG Advisors, LP is a registered investment advisor. Registration of an Investment Advisor does not imply any level of skill or training. The oral and written communications of an Advisor provide you with information about which you determine to hire or retain an Advisor.

Additional information about WFG Advisors, LP also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated 09/15/2012 is a new document prepared according to the SEC’s new requirements and rules. As such, this Document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

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 Advisor Services at 800.225.3650 or advisorservices@williams-financial.com.

Additional information about WFG Advisors, LP is also available via the SEC’s web site www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with WFG Advisors, LP who are registered, or are required to be registered, as investment advisor representatives of WFG Advisors, LP.

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Item 4 – Advisory Business

WFG Advisors, LP is located in Dallas, TX and has been offering investment advisory services since 2003.

WFG Advisors, LP is 100% owned by Williams Financial Group, a wholly owned subsidiary of W.H. Williams Family L.P. WFG, through a common parent, is affiliated with the broker-dealer of WFG Investments, Inc. Officers/Directors/Employees of WFG are registered representatives/principals of WFG Investments, Inc. and therefore are licensed to sell securities for separate commission compensation.

WFG Advisors, LP (hereinafter “WFG” or the “Firm”) provides investment advisory services including asset management, portfolio monitoring, institutional consulting services and financial planning to individuals, banks, thrift institutions, trust, estates, charitable organizations, domestic and foreign corporations and other business entities. The asset management services, as described more fully below, are made available to Clients through “wrap fee” programs, which are sponsored by WFG.

Individuals associated with WFG will provide its investment advisory services. These individuals are appropriately licensed, qualified, and authorized to provide advisory services on behalf of WFG. Such individuals are known as Investment Advisor Representatives.

As of September 2012 the firm has assets under management totaling \$ 1,218,698,316.00

Wrap Fee Program Services

WFG Select Program

WFG acts as the program sponsor for one wrap fee program called *WFG Select*, where clients pay a single fee to WFG which encompasses WFG’s money management fees, certain transaction costs, custody, performance measurement and administrative cost (referred to as “wrap fee” arrangements). A condition of this program is that transactions for clients’ accounts are executed by WFG Investments, Inc., an affiliate broker dealer through common control and ownership, or other approved broker dealers.

The *WFG Select Program* provides Clients with discretionary and non-discretionary portfolio management, and/or access to multiple money managers who will provide investment advice to the Client portfolios through the Client’s choice of two investment/relationship options.

The Program is offered through WFG Investments, Inc. Registered Representatives or WFG Investment Advisor Representatives acting in their separate capacity as IARs of WFG, based on its independent registration as an investment advisor with the Securities and Exchange

Commission. This practice creates a conflict of interest and gives those IAR's an incentive to recommend investment products/programs based upon the compensation received relating to securities executions, rather than on the client's needs. In order to alleviate this potential conflict, WFG conducts daily and periodic reviews of trading activity and general account activity and holdings to ensure consistency with client investment objectives and financial status. Fee billing is also periodically reconciled to ensure accuracy and appropriateness of overall fees paid by clients to WFG. Clients who participate in the Select Program will receive the equivalent wrap fee brochure also provided by WFG.

Clients participating in this Program will pay a monthly fee, in advance, based on the aggregate amount of assets under management. For the *WFG Select Program* the fee is based on the average daily balance of the assets as of the last business day of the preceding calendar month. In those instances where the fee may be billed in arrears, it may include a prorated adjustment for any new investment capital added or withdrawn during the billable period.

Fee Schedule:

Program fees are based on the following fee schedule:

Total Account Value	Maximum Account Fee*
First \$1,000,000	2.80%
Next \$2,000,000	2.20%
Assets Over \$3,000,000	1.75%

*Fees may be negotiated and may vary based on the type of account, account size, historical relationship with the client, or other factors.

Client will receive the firm's Wrap fee disclosure brochure in lieu of Form ADV Part II. If the Wrap Fee Disclosure brochure is not delivered to the Client at least 48 hours prior to entering into the management agreement, the Client may terminate the agreement for services within five business days of execution without penalty. After the five-day period, either party, upon 30 days written notice to the other, may terminate the management agreement. The management fee will be pro-rated for the month in which the cancellation notice was given and any unearned fees will be returned to the client.

WFG Select Plus Program – Sub Advisors

The firm offers Clients access to various independent Third Party Sub Advisors. These programs typically take into consideration a Client's particular investment objectives, financial status and risk tolerance to allocate client assets among one or more third-party Sub Advisors or managed asset programs that may invest in several different types of securities.

The firm does not itself directly provide portfolio management or specific security selection for clients participating in such various money management programs. Rather, the firm has entered into contractual relationships with various third-party Sub Advisors and assists clients in selecting the program and/or sub-advisor appropriate for the client's needs or among portfolios available from those sub-advisors.

Each third-party sub-advisor program may involve different account minimum(s), custodial, administrative and fee arrangements. The firm does not take custody of client assets that are designated to be managed by a third-party manager. The firm does not directly place securities transactions on behalf of the client. Rather, investments are made by the selected third-party sub advisor in accordance with the agreement between the client and manager.

Fee Schedule:

Typically, the firm's annual compensation under this type of arrangement with third-party managers ranges between 1/2*% to 1.75% of the standard annual fee charged by the third-party sub-advisor. No separate fee is paid by the client to the firm. Rather, fees are paid to the firm out of the fee charged to the client by the third-party money manager.

Clients are advised that programs substantially similar to those conducted by participating third-party sub-advisors may be available elsewhere at a lower fee. Clients are advised that a conflict of interest may exist for the firm to recommend the services of a third-party sub-advisor who has agreed to share a portion of its fee with the firm. Clients are encouraged to read the disclosure brochure of the third-party sub-advisor recommended for participation.

The firm currently has contractual relationships including but not limited to, the following third-party sub-advisor which may be recommended to clients dependent upon a client's particular needs and investment objectives:

- Barrington Capital Management
- Leonetti & Associates, Inc.
- Aurora Investment Counsel
- Lindner Capital Advisors
- Horizon Asset Management
- Watkinson Capital Advisors, LLC
- Lunt Capital
- SNW Asset Management
- Verity
- Lyons Wealth Management

Williams Financial Group Asset Management

Pursuant to a consulting agreement between Horizon Investments, LLC ("Horizon") and - WFG Advisors, LP , ("WFG"), Horizon provides investment advice, analysis and consultation

(“Sub-advisory Services”) concerning the management of various client’s assets managed using the Williams Strategic Portfolio, Williams Tactical Portfolio, or Williams Alternative Portfolio (each a "Portfolio" and collectively, the "Portfolios"), Horizon will act as sub-advisor to WFG with respect to the Portfolios and provide services to WFG including making recommendations regarding fund selection and asset allocation of the Portfolios, providing recommendations in relation to the strategic rebalancing of the allocations of the Portfolios and assisting in the marketing of the Portfolios (the Portfolios are referred to and marketed publicly as the Williams Portfolio Strategies). Horizon, in exchange for providing these Sub-advisory Services, pays to WFG a portion of the fee that Horizon receives (equal to .125% of the client’s assets under management).

<u>Model</u>	<u>WFGAM</u>	<u>Horizon</u>	<u>Principal Protection – Add on</u>
Williams Strategic Portfolios	.10	.25	.25
Williams Tactical Portfolios	.15	.40	.25
Williams Lifetime Income	.15	.75	.25

Nonproprietary “wrap fee programs” - TAMPS

The firm permits certain of its Investment Advisor Representatives to offer “non-proprietary” wrap fee programs of non-affiliated registered investment advisors. Currently, various non-proprietary wrap fee programs are made available including but not limited to, the following program sponsors

- SEI Investment Management Corporation
- Genworth Financial Wealth Management, INC
- Curian Capital, LLC
- Envestnet Asset Management, INC available through Managed Account Solutions at National Financial Services, INC.
- CLS
- Horizon Investments
- SEM

Each Nonproprietary “wrap fee program” may involve different account minimum(s), custodial, administrative and fee arrangements. The firm does not take custody of client assets that are designated to be managed by a third-party manager. The firm does not directly place securities transactions on behalf of the client. Rather, investments are made by the selected non-proprietary wrap fee provider in accordance with the agreement between the client and manager.

Fee Schedule:

More information regarding a client's total annual fee and the portion received by WFG Advisors, LP, the program sponsor and any additional third parties is provided in the relevant Form ADV Part II and/or Schedule H (the wrap fee program brochure) of the sponsor of the wrap fee program and the applicable client agreement the client will execute with respect to the program (the "Client Agreement") and/or separate fee disclosure statement that will be provided to the client with the Client Agreement (the "Fee Disclosure").

Portfolio Monitoring/Review Services

WFG will provide asset allocation services and/or portfolio monitoring/review services to clients on a non-continuous basis. These services will be provided on a pre-determined basis, such as monthly, quarterly, semi-annually or annually. The frequency of the services provided will be agreed upon by the client and WFG and detailed in the client agreement. Such services may include a review of the client's existing portfolio with asset allocation recommendations, a review/evaluation of recommendations made by other advisory professionals for suitability, security analysis, management and/or monitoring of a participant's investments in a 401(k) plan, assistance in evaluating the services of third party money managers, or on-going portfolio monitoring services.

Fee Schedule:

The amount of the fee and the fee-paying arrangements are based on a fixed rate that starts at \$200 or an hourly rate that ranges between \$100 and \$200, negotiated on a case-by-case basis depending on the scope and complexity of the requested services. Specific services to be provided, the anticipated fee, and fee paying arrangements are detailed in the written advisory agreement.

If the disclosure brochure - Part II of the Form ADV - is not delivered to the Client on or before the entering into the management agreement, the Client may terminate the agreement for services within five business days of execution without penalty. After the five-day period, either party, upon 30 days written notice to the other, may terminate the management agreement. Any prepaid fees will be pro-rated to the date of termination and unearned fees will be returned to the client.

Institutional Investor Consulting Services

WFG will provide investment services and consulting advice to institutional investors that may consist of asset allocation reviews and recommendations, evaluation of money manager performance, recommendations on investment strategy, and/or on-going performance measurement and reporting, among others. Such services are custom tailored to meet the individualized needs of the specific client, and are designed to add value to their investment programs. Compensation to WFG is based on any one, or a combination of the following: (a)

fixed fees; (b) directed trade arrangements; (c) commission-based compensation; (d) a percentage of the portfolio assets.

If the disclosure brochure - Part II of the Form ADV - is not delivered to the Client on or before the entering into the management agreement, the Client may terminate the agreement for services within five business days of execution without penalty. After the five-day period, either party, upon 30 days written notice to the other, may terminate the management agreement. Any prepaid fees will be pro-rated to the date of termination and unearned fees will be returned to the client.

Financial Planning

WFG engages in broad-based and structured financial planning. Such planning services typically involve providing a variety of services, principally advisory in nature, to clients regarding the management of their financial resources based upon an analysis of their individual needs. The process typically begins with an initial complementary consultation during which the various services provided by WFG are explained. If it is the desire of the Client to use WFG's services, the Firm and the client enter into a financial planning agreement. The Client may elect to have WFG prepare a financial plan for a set fee and then manage the client's assets under its wrap fee program defined above for an annual percentage of assets under management. Alternatively, the client may engage WFG for financial planning services only without an additional advisory or portfolio management services.

During or after the initial consultation, if the Client decides to engage WFG, pertinent information about the client's personal and financial circumstances and objectives is collected. As required, an IAR of WFG will conduct follow-up interviews for the purpose of reviewing and/or collecting financial data. Once such information has been studied and analyzed, a written financial plan--designed to achieve the clients' expressed financial goals and objectives--is produced and presented to the Client.

Some Clients may only require advice on a single aspect of the management of their financial resources. For these clients, WFG offers financial plans and/or general consulting services in a format that addresses only those specific areas of interest or concern, depending on each client's unique circumstances.

Financial planning services may be rendered in the areas of retirement planning, financial planning, personal tax and cash flow planning, estate planning, insurance planning, divorce planning, college planning, and compensation and benefits planning, among others.

Fee Schedule:

WFG charges a fixed fee for financial planning services that typically ranges between \$500 and \$5,000, or more. There is no "typical" plan as services are customized to the particular needs of the client: thus there is a wide range of fees that may be imposed as some plans may involve

more analysis and research and accordingly be broader in scope than other more simplified and limited scope plan reviews. The fee schedule may be dependent on the scope including but not limited to; the client's needs, net worth, net income, age, and the use of outside expertise. Additionally, WFG Advisors, LP charges an hourly fee of \$250 for clients that request a specific service and do not desire a complete written financial plan.

When the scope of the financial planning and/or consulting services has been agreed upon, a determination will be made as to applicable fee. The final fee, subject to negotiation, is directly dependent upon the facts and circumstances of the client's financial situation and the complexity of the financial plan or service(s) requested. *In limited circumstances*, the cost/time could potentially exceed the initial estimate. In such cases, WFG will notify the Client and may request that the client pay an additional fee. 50% percent of the estimated fee is payable upon signing the advisory agreement, the remaining 50% is due upon delivery of the final plan.

Over time as the economic climate and personal circumstances change, the client may wish to adjust their goals which may result in a change in planning strategies. As a result the client at his/her option can engage WFG Advisors to prepare a review or update of his/her plan. This reappraisal can include updates and projections regarding cash flow, net worth, tax liabilities and retirement projections, etc.

This engagement would be at the client's option, based upon the updated information provided by the client. Either the client or WFG Advisors, LP could terminate the engagement at any time with notice.

The fee for completing such annual review will range from \$250 and \$3,000 based on the complexity of the annual review and appropriate plan revisions.

WFG reserves the right to determine whether the financial planning and/or consulting fees will be waived or offset by the advisory fees and/or additional compensation earned in the implementation process. The scope and complexity of the financial planning services that were provided will determine the waiver or offset of the fee.

If the disclosure brochure is not delivered to the Client at least 48 hours prior to entering into a financial planning agreement, the Client may terminate the agreement for services within five business days of entering into the agreement without penalty. After the five day period, either party may terminate the agreement by providing written notice to the other. Upon termination, any prepaid fees will be prorated to the date of termination and unearned fees will be returned to the Client

Financial Planning - Carter Advisory Services, Inc

WFG has also entered into an agreement with Carter Advisor Services, Inc (“CAS”) for those IARS of WFG, Advisors, LP with clients with financial planning needs that facilitate a more comprehensive financial plan.

CAS has staff planners prepare the financial plan and any subsequent reviews under the supervision of a principal of the firm. The principal instructs the staff planner on the preparations of the plan and reviews, including specific reports, assumptions to be used and the timing of the reviews.

Beginning with the client's current situation, planners assess assets, liabilities, cash flow, taxes, insurance in force and estate planning documentation. Specific goals and objectives are subsequently defined. This process reveals immediate steps needed to meet short-term financial objectives and defines obstacles to overcome for attainment of long-term goals, such as retirement and estate planning.

The next step is the development of a written financial plan, followed by implementation of prioritized recommendations. Periodic review and updates are provided to ensure that current objectives are being reviewed in an ever-changing economic climate.

The initial plan is an assessment of the client's financial planning needs. The written plan could include, but would not necessarily be limited to, advice with recommended solutions unique to the individual client in the following areas:

1. Cash Management
2. Assets and Liabilities
3. Risk Management
4. Business Holdings
5. Investment Management
6. Estate Planning
7. Tax Planning
8. Retirement Planning
9. Education Planning

After a thorough analysis, a written financial plan is prepared which reviews the client's financial situation. This can include recommendations and strategies on how the client can achieve their goals and objectives. Implementation of the plan is mutually developed with the client.

Fee Schedule:

Fees for such comprehensive financial plans are based on the client's net worth and estimated client's income. Fees for written financial plans normally begin at \$2,000 depending on a client's

situation and needs. There is no “typical” plan as services are customized to the particular needs of the client: thus there is a wide range of fees that may be imposed as some plans may involve more analysis and research and accordingly be broader in scope than other more simplified and limited scope plan reviews. The fee schedule may be dependent on the complexity of the client's situation and the special needs of the client including but not limited to; the client’s needs, net worth, net income, age, and the use of outside expertise.

The fee is due in two installments. The first half is due upon the execution of the agreement and the balance is due upon the presentation of the client's written financial plan. The fee covers the first year of monitoring and developing the implementation plan by the client and the advisor.

Item 5 – Fees and Compensation

The specific manner in which fees are charged by WFG is established in a client’s written agreement with WFG. WFG will generally bill its fees on a monthly basis.

Clients participating in the Program will generally pay a monthly fee, in advance, based on the aggregate amount of assets under management. For the WFG Select, WFG Select Plus and the Williams Financial Group Asset Management Program the fee is based on the average daily balance of the assets as of the last business day of the preceding calendar month. Clients may elect to be billed directly for fees or to authorize WFG to directly debit fees from client accounts. In certain situations certain product types or money managers will bill quarterly in advance based on the aggregate amount of assets under management. The fee is based on the average daily balance of the assets as of the last business day of the preceding quarter end. Accounts initiated or terminated during a calendar month will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Program fees are based on the following fee schedule:

Total Account Value	Maximum Account Fee*
First \$1,000,000	2.80%
Next \$2,000,000	2.20%
Assets Over \$3,000,000	1.75%

*Fees may be negotiated and may vary from Client-to-Client based upon a number of factors, including but not limited to, Investment Manager(s) selected, type of account, account size, historical relationship with the Client, services to be provided, or other factors. Moreover, fees

may vary as a result of the application of prior fee schedules depending upon the specific date the Client began participation in the Program.

These fees may include account management, administrative and execution services. The level of the fee is unaffected by the number of transactions effected for the Account. Fees are assessed on all assets in the Account, including securities, cash and money market balances. Margin debit balances do not reduce the value of the assets in the Account. The Provider may in their sole discretion pay all or a portion of the above stated fees to other parties involved in providing service with respect to the Program Account and as permitted by law. All such shared payments will be fully disclosed to the Client.

These fees may include account management, administrative and execution services. The level of the fee is unaffected by the number of transactions effected for the Account. Fees are assessed on all assets in the Account, including securities, cash and money market balances. Margin debit balances do not reduce the value of the assets in the Account. The Provider may in their sole discretion pay all or a portion of the above stated fees to other parties involved in providing service with respect to the Program Account and as permitted by law. All such shared payments will be fully disclosed to the Client.

These fees do not include mark-ups/mark-downs in principal transactions; certain odd-lot differentials; national securities exchange fees; clearing; custody; postage and handling; and other transaction and service fees (i.e. Brokerage Portfolio Accounts or other cash management type accounts), annual, maintenance and/or termination fees for retirement accounts or qualified plans; ACAT transfer fees; interest on debit account balances; electronic fund transfer fees; IRA and qualified plan fees; and transfer taxes and other costs or charges associated with securities transactions mandated by law. All fees and charges, including the above, may be charged to the Program Account. Client understands that WFG IARs receive compensation for providing advisory and client-related services in connection with the Programs based on the value of the assets under their management. The Client may also incur certain charges imposed by other third-parties in connection with investments made through the Program Account, including among others the following types of charges: mutual fund 12b-1 fees, mutual fund management and administrative servicing fees, fees charged by Investment Managers, and certain deferred sales charges on previously purchased mutual funds. WFG IARs may receive a portion of the mutual fund 12b-1 fees as part of their compensation.

This compensation may be more than what the Client would pay if the Client participated in other programs of the IAR, programs of another IAR, or paid separately for investment advice, brokerage commissions and other services. Therefore, the IAR may have a financial incentive to recommend this wrap-fee program over other programs or services. In order to compare the cost of Client's program with an unbundled service, Client should consider the turnover rate in the

investment strategies, trading activity in the account, and standard advisory fees and brokerage commissions that would be charged at other broker dealers or investment advisors.

Advice offered by WFG may involve investments in mutual funds. Clients are hereby advised that all fees paid to WFG for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. Further, there may be transaction charges involved with purchasing or selling of securities. WFG does not share in any portion of the brokerage fees/transaction charges imposed by the custodian holding the client funds or securities. The Client should review all fees charged by mutual funds, WFG, and others to fully understand the total amount of fees to be paid by the Client.

A conflict of interest may exist between the interests of the firm and/or its advisory representatives and the interests of the client in that the firm and advisory representatives offer financial planning and investment advisory services for a fee and also offer various securities products in their concurrent capacities as registered representatives of a broker dealer on which they may also be paid a commission. Advisory representatives should inform clients with respect to any recommended securities transaction on which a separate commission will be earned so that client can make an informed decision prior to deciding on the recommending action.

Certain advisor representatives may also be separately licensed through various states to sell traditional and variable life insurance products for which they may receive usual and customary commission compensation. Traditional insurance product transactions such as term, universal and whole life insurance and fixed or index annuities may be purchased through insurance companies with which an advisor representative maintains an appointment as an independent agent. Variable insurance products carry fees and expenses relating to providing insurance guarantees that are in addition to the expenses associated with investment features. Such fees and expenses may include without limitation, mortality and expense risk fees, premium taxes, optional riders, annual contract administration fees, and in the case of life insurance, the cost of life insurance risk as assessed by the insurance company issuing the policy. These fees are in addition to the advisory fees charged by WFG and contracts may have significant withdrawal or surrender penalties if contract holding periods are not met. These insurance product related fees are explained in detail in the prospectus for the product being recommended.

Item 12 further describes the factors that WFG considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

Financial Planning fees

Financial planning services may be rendered in the areas of retirement planning, financial planning, personal tax and cash flow planning, estate planning, insurance planning, divorce

planning, college planning, and compensation and benefits planning, among others. WFG charges a fixed fee for financial planning services that typically ranges between \$500 and \$5,000, or more. There is no “typical” plan as services are customized to the particular needs of the client: thus there is a wide range of fees that may be imposed as some plans may involve more analysis and research and accordingly be broader in scope than other more simplified and limited scope plan reviews. The fee schedule may be dependent on the scope including but not limited to; the client’s needs, net worth, net income, age, and the use of outside expertise. Additionally, WFG Advisors, LP charges an hourly fee of \$250 for clients that request a specific service and do not desire a complete written financial plan.

When the scope of the financial planning and/or consulting services has been agreed upon, a determination will be made as to applicable fee. The final fee, subject to negotiation, is directly dependent upon the facts and circumstances of the client's financial situation and the complexity of the financial plan or service(s) requested. *In limited circumstances*, the cost/time could potentially exceed the initial estimate. In such cases, WFG will notify the Client and may request that the client pay an additional fee. 50% percent of the estimated fee is payable upon signing the advisory agreement, the remaining 50% is due upon delivery of the final plan.

Over time as the economic climate and personal circumstances change, the client may wish to adjust their goals which may result in a change in planning strategies. As a result the client at his/her option can engage WFG Advisors to prepare a review or update of his/her plan. This reappraisal can include updates and projections regarding cash flow, net worth, tax liabilities and retirement projections, etc.

This engagement would be at the client’s option, based upon the updated information provided by the client. Either the client or WFG Advisors, LP could terminate the engagement at any time with notice.

The fee for completing such annual review will range from \$250 and \$3,000 based on the complexity of the annual review and appropriate plan revisions.

WFG reserves the right to determine whether the financial planning and/or consulting fees will be waived or offset by the advisory fees and/or additional compensation earned in the implementation process. The scope and complexity of the financial planning services that were provided will determine the waiver or offset of the fee.

Carter Advisory Services – Financial planning fees

Fees for such comprehensive financial plans through Carter Advisory Services are based on the client's net worth and estimated client's income. Fees for written financial plans normally begin at \$2,000 depending on a client's situation and needs. There is no “typical” plan as services are customized to the particular needs of the client: thus there is a wide range of fees that may be

imposed as some plans may involve more analysis and research and accordingly be broader in scope than other more simplified and limited scope plan reviews. The fee schedule may be dependent on the complexity of the client's situation and the special needs of the client including but not limited to; the client's needs, net worth, net income, age, and the use of outside expertise.

The fee is due in two installments. The first half is due upon the execution of the agreement and the balance is due upon the presentation of the client's written financial plan. The fee covers the first year of monitoring and developing the implementation plan by the client and the advisor.

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

WFG does not charge any performance-based fees. Fees are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds, or any portion of the funds of an advisory client (15 U.S.C. §80b-5(a)(1)).

Item 7 – Types of Clients

The firm provides investment advisory services including asset management, portfolio monitoring, institutional consulting services and financial planning to individuals, banks, thrift institutions, trust, estates, charitable organizations, domestic and foreign corporations and other business entities.

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

IAR reps are given full discretion to manage client assets without guidance from WFG based upon information obtained from the client, including without limitation, a client's current financial status, investment objectives/goals, and risk tolerances. IAR's will accordingly make recommendations based upon the information provided and may allocate a client's portfolio into any range of various investment products, such as mutual funds, stocks, bonds, options, exchange traded funds (EFT's) and others that are suitable based upon a client's individual needs. IAR's are charged with continuous monitoring of client portfolios to respond to a change in a client's investment objectives, risk tolerances or financial condition that may warrant a change in the strategy employed or recommendations made. Likewise, client accounts are periodically reviewed by WFG to ensure consistency of program strategies and performance with clients' stated objectives.

Each IAR employs several methods of analysis in order to formulate investment advice, including but not limited to Charting, Fundamental, Technical and Cyclical Analysis. The IAR's may use several sources to gather information including by not limited to Financial Newspapers and Magazines, Research Materials prepared by others, Corporate rating services, Timing services Annual reports, prospectuses, filings with the SEC, Company press releases and other materials providing investment related information.

Strategies employed by WFG may include, but are not limited to: Preservation of Capital, Income, Capital Appreciation, Trading Profits and Speculation. Investing in securities involves risk of loss that clients should be prepared to bear.

Item 9 – Disciplinary Information

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

Item 10 – Other Financial Industry Activities and Affiliations

WFG is 100% owned by Williams Financial Group, a wholly owned subsidiary of W.H. Williams Family L.P. WFG, through a common parent, is affiliated with the broker-dealer and registered investment advisor of WFG Investments, Inc. In its capacity as an introducing broker dealer, WFG Investments Inc. has a fully disclosed clearing relationship with NFS, Pershing and TD Ameritrade to provide clearance and settlement services. Officers/Directors/Employees of WFG are registered representatives/principals of WFG Investments, Inc. and therefore are licensed to sell securities for separate commission compensation.

If a client chooses to implement the advisory recommendations of their IAR and then elects a program where WFG Investments, Inc. is the executing broker dealer (i.e. the Select program) or elects to execute brokerage transactions recommended through other advisory services or programs through WFG Investments, Inc., such IAR may receive commissions as a result of such brokerage transactions exclusive of and in addition to advisory fees. However, Clients participating in wrap programs sponsored by WFG will not pay a separate commission for transactions in their account(s). All Officers/Directors/Employees of WFG spend the majority of their professional time in their capacity as registered representatives/principals of WFG Investments, Inc. This practice does represent a conflict of interest to the extent that the IAR recommends a product or program through which the IAR receives a commission in their capacity as a registered representative of WFG Investments, Inc. and also receives a portion of the advisory fee paid by the client for recommendations made through their capacity as an IAR of WFG, which may result in a higher overall cost paid by the client. In some cases, clients may pay higher commissions and transaction costs for executing transactions through WFG Investments, Inc. than through other executing broker dealers and in most cases, than through a discount broker dealer.

WFG, through common control and ownership is affiliated with WFG Strategic Alliance, a licensed insurance agency that provides insurance products and selection advice to other financial advisors. Related persons of WFG are licensed as agents to sell insurance related products, for separate compensation, through WFG Strategic Alliance.

Item 11 – Code of Ethics

WFG, its officers and associated persons may personally invest in securities of the same securities as are purchased for clients and may own securities of issuers whose securities are subsequently purchased for clients. WFG has adopted a “Code of Ethics”, (the “Code”) to alleviate conflicts of interest in such situations. The Code requires that all associated persons, access persons and administrative staff of WFG place the interests of our clients first, avoid taking inappropriate advantage of their position, and conduct all personal securities transactions in compliance with the Code. A full copy of our Code is available to our Client or prospective clients upon written request.

WFG or individuals associated with the Firm may buy or sell – for their personal account(s) – investment products identical to those recommended to Clients. It is the expressed policy of WFG that no person employed by the Firm may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts.

As these situations may represent a conflict of interest, WFG has established the following restrictions in order to ensure its fiduciary responsibilities:

1. Associated persons or their immediate family members shall not buy or sell securities for their personal portfolio(s) where their decision is derived, in whole or in part, by reason of the associated person’s employment, unless the information is also available to the investing public on reasonable inquiry. No associated person of the Firm shall prefer his or her own interest to that of the advisory Client.
2. Records will be maintained of all securities bought or sold by the Firm and its associated persons.
3. The Firm emphasizes the unrestricted right of the client to decline to implement any advice rendered by WFG.
4. The Firm requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.
5. Any individual not in observance of the above may be subject to termination.

It is further noted that WFG is in, and shall continue to be in, compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988. Specifically, WFG has adopted a firm wide policy statement outlining insider-trading compliance by the Firm, its associated persons, and other employees.

Item 12 – Brokerage Practices

Generally, Clients grant WFG complete discretion over the selection and amount of securities to be bought or sold, the broker or dealer to be used and the commission rates to be paid for their

account without obtaining their prior consent or approval. However, the Firm's investment authority may be subject to specified investment objectives, guidelines, and/or conditions imposed by the Client. For example, a Client may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry. Clients may amend these limitations as required. Such amendments must be submitted in writing.

WFG will recommend that a client in need of brokerage and custodial services utilize WFG Investments, Inc. Clients may utilize the broker/dealer of their choice and have no obligation to purchase or sell securities through such broker as WFG recommends. WFG Advisors and WFG Select clients are required to utilize WFG Investments Inc. to participate in these programs and to direct all program trades to WFG Investments, Inc. or other approved broker dealer. Clients may pay a higher commission rate for transactions as a result of this arrangement than might be charged if executed through an unaffiliated broker dealer. WFG, reserves the right to not accept a client account if the Client wishes to select a broker or dealer other than WFG Investments, Inc.

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

Soft dollar benefits are not limited to those clients who may have generated a particular benefit although certain soft dollar allocations are connected to particular clients or groups of clients.

Item 13 – Review of Accounts

WFG Select accounts are reviewed by the Branch Manager if there are transactions in the account. Additionally, Client accounts are reviewed at least annually by the advisory representative assigned to the account.

Client account reviews will be reviewed by the Firm's compliance staff on at least an annual basis unless an occurrence triggers a more frequent review or upon a customer's request. Reviews may also be triggered by unusual activity. The review will be conducted by the CCO or a designee, who will review account activity in concert with relevant opening account documentation to ensure that account activity is consistent with the customer's investment objectives and financial status. The review will also reconcile account documentation, including

advisory agreements vs. advisory fees charged to ensure that customer accounts are being charged appropriately per the terms of their advisory agreement. The CCO or designee will document any exceptional items and follow up with the IAR and/or client when deemed necessary and appropriate as a result of such review. In connection with such reviews, the Firm may utilize a firm generated questionnaire to provide a template and uniform review process across its IAR base. Such questionnaire would be completed by the IAR based upon current discussions with the Client and signed off by both an appropriate supervisor as well as the Firm. The questionnaire would contain information including but not limited to, trading activity consistency with client stated objectives, suitability of a particular program or investment manager based upon a client's stated objectives, investment goals, and current trading history, fee suitability and reconciliation; updates on client financial status, investment objectives, and/or risk tolerance, and existence of complaints or concerns relative to the account, IAR, or Firm. Client accounts will likewise be reviewed by the CCO or her designee in connection with the opening of the account to ensure suitability of a particular program (including but not limited to wrap fee programs) for a client based upon the client's trading history or intended volume of trading if history is not known or nonexistent, stated objectives, investment goals, risk tolerance and similar factors. In the event such account reviews reflect that an advisory program may not be appropriate given a particular client's financial objectives and risk tolerance level, the client will be accordingly transitioned to a more appropriate trading program, including but not limited to a commission-based brokerage account. Additional reviews under both programs may be provided based on a significant change in the market or the program in which the Client is participating, or at the Client's request.

The custodian typically sends Clients a confirmation of every securities transaction and a quarterly brokerage statement, which reflects all transactions in the Client's account held by the custodian. WFG IARs will provide reports to Clients on at least an annual basis with the recommendation for a more frequent time frame such as quarterly as well as at the Client's request. Any account statements provided to Clients by WFG (in addition to those which are already provided by the qualified custodian) will contain legends as required pursuant to regulatory requirements under the Advisors Act.

Reviews of financial plans are available at the client's request. Updates to the written financial plan may be provided in conjunction with the review. Such reviews and updates are subject to the firm's then current hourly rate.

Item 14 – Client Referrals and Other Compensation

Broker dealers, other investment advisors, or other financial intermediaries who are directly responsible for referring a client to WFG for advisory services may receive a referral fee from WFG. In each instance, appropriate disclosure is made to each prospective client, pursuant to SEC Rule 206(4)-3 under the Investment Advisors Act of 1940, and/or applicable state statutes, to the extent they apply.

WFG serves as solicitor for other advisors, none of whom is affiliated with WFG. WFG receives direct and indirect compensation from these advisors as a result of Client's ultimate participation in these advisors' management. In accordance with regulatory requirements, WFG receives a referral fee at a negotiated rate from these firms in accordance with the terms of a written Solicitor Agreement and after execution of a written referral fee disclosure statement by each Client in respect of such persons. These firms may provide marketing support or services to assist its solicitors and their firms. The Client pays no additional fee by reason of the payment of these fees.

Item 15 – Custody

WFG shall never actually have physical custody of any Client funds or securities, as the services of an independent qualified custodian will be used for these asset management services. However, because WFG does deduct advisory management fees directly from accounts held by WFG Investments, a related affiliate of WFG Advisors, LP through clearing arrangements with qualified custodians, WFG Advisors, LP is deemed to have custody of client assets under the Investment Advisors Act of 1940 ("the Advisor's Act").

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. WFG 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

Generally, Clients grant WFG complete discretion over the selection and amount of securities to be bought or sold, the broker or dealer to be used and the commission rates to be paid for their account without obtaining their prior consent or approval. However, the Firm's investment authority may be subject to specified investment objectives, guidelines, and/or conditions imposed by the Client. For example, a Client may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry. Clients may amend these limitations as required. Such amendments must be submitted in writing.

Item 17 – Voting Client Securities

WFG will not be required to take any action or render any advice with respect to voting of proxies solicited by, or with respect to, the issuers of securities in which client assets may be invested. Although WFG may, on rare occasions and only at the Client's request, offer clients advice regarding corporate actions and the exercise of proxy voting rights. Third-party Investment Managers chosen to manage client assets, however, may vote proxies on behalf of clients. Clients should refer to that Investment Manager's ADV for more information.

Item 18 – Financial Information

Registered investment advisors are required in this Item to provide you with certain financial information or disclosures about WFG's financial condition. WFG 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.