



REGISTERED INVESTMENT ADVISER

# Wealth Management Network, LLC

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## Form ADV, Part 2A Brochure

March 21, 2012

This brochure provides information about the qualifications and business practices of Wealth Management Network, LLC. If you have any questions about the contents of this brochure, please contact us at (949) 720-9980 or [info@thewmn.com](mailto:info@thewmn.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Any reference to or use of the terms “registered investment adviser” or “registered,” does not imply that Wealth Management Network, LLC or any person associated with Wealth Management Network, LLC has achieved a certain level of skill or training.

Additional information about Wealth Management Network, LLC is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## ITEM 2 - MATERIAL CHANGES

The purpose of this page is to inform you of any material changes since the last annual update to this brochure. If you are receiving this brochure for the first time this section may not be relevant to you. Wealth Management Network, LLC (“WMN”) reviews and updates our brochure at least annually to ensure that it remains current. We have made the following material changes since the last annual update to our brochure, dated March 28, 2011:

### **Item 12 BROKERAGE PRACTICES - Directed Brokerage Transactions**

- Added the following policy:  
WMN will not allow clients to direct WMN to use a specific broker-dealer to execute transactions. Clients must use the broker-dealer that WMN recommends. Not all investment advisers require their clients to trade through specific brokerage firms. Since we require our clients to maintain their accounts with Schwab, it is also important for clients to consider and compare the significant differences between having assets custodied at another broker-dealer, bank or other custodian prior to opening an account with us. Some of these differences include, but are not limited to; total account costs, trading freedom, transaction fees, and security and technology services. By requiring clients to use Schwab, WMN believes we may be able to more effectively manage the client’s portfolio, achieve favorable execution of client transactions, and overall lower the costs to the portfolio.

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## ITEM 4 - ADVISORY BUSINESS

### Description of Advisory Firm

Wealth Management Network, LLC (“WMN,” “we,” “our,” or “us”) is an independently owned registered investment advisory firm headquartered in Newport Beach, California. WMN registered as an investment adviser with the U.S. Securities and Exchange Commission on October 10, 2003. Laine R. Ainsworth, CFP® and Mark L. Moehlman, MBA are the founding Principals of WMN.

### Advisory Services Offered

#### Investment Management Services

WMN provides continuous and regular investment supervisory services on a discretionary basis. Laine R. Ainsworth and Mark L. Moehlman work with clients and have the ongoing responsibility to make investment decisions, based upon the objectives of the client, as to specific securities or other investments that they purchase or sell in client accounts.

WMN’s choices for investments in client accounts will primarily include:

1. Mutual funds and exchange traded funds (ETFs)
2. Equity securities, including stocks and foreign securities listed on US exchanges (ADRs)
3. Fixed income securities, including corporate and government bonds, commercial paper, and certificates of deposit (CDs)
4. Money market funds and cash
5. Municipal securities
6. US government securities

WMN may also occasionally offer advice regarding additional types of investments if they are appropriate to address the individual needs, goals, and objectives of the client or in response to client inquiry. WMN may offer investment advice on any investment held by the client at the start of the advisory relationship. The material investment risks for many of the securities that we utilize are discussed under the heading ***Specific Security Risks*** in ***Item 8*** below.

A discussion regarding our discretionary authority is located below under ***Item 16 - Investment Discretion***. For more information about the restrictions clients can put on their accounts, see ***Tailored Services and Client Imposed Restrictions*** in this item below.

The Fees charged for investment management services are detailed below under ***Item 5 - Fees and Compensation***.

### Financial Planning Services

WMN does not generally provide comprehensive financial planning services, but may offer financial planning related services as part of our overall advisory services. These services may involve providing advice to clients regarding the investment/management of financial resources based upon an analysis of their individual needs. However, services do not include preparation of written financial plans, preparation of income tax, gift tax, or estate tax returns, or preparation of legal documents.

WMN does not receive separate compensation for financial planning related services.

### Limitations on Investments

#### *Limitation by Type of Security*

##### Limitation on Fixed Income

WMN primarily utilizes debt-related mutual funds and exchange traded funds (ETFs). We typically do not conduct individual fixed income securities transactions except when liquidating existing positions in new client accounts. On occasion, we may hold individual fixed-income securities within client accounts. The holding period may be temporary or until maturity based on the individual needs of the client.

#### *Mutual Fund Limitations*

WMN primarily utilizes no load mutual funds.

#### *Limitation by Custodian*

There may also be limitations on the mutual funds that we utilize in client accounts. All clients establish brokerage accounts with the Schwab Advisor Services™, a division of Charles Schwab & Co., Inc. ("Schwab"), registered broker-dealer, Member SIPC. WMN is limited to the mutual funds available through Schwab.

#### *Limitation by Client*

WMN may also limit advice based on certain client-imposed restrictions. For more information about the restrictions clients can put on their accounts, see ***Tailored Services and Client Imposed Restrictions*** in this Item below.

### **Tailored Services and Client Imposed Restrictions**

WMN manages client accounts based on the investment strategy as discussed below under ***Item 8 - Methods of Analysis, Investment Strategies, and Risk of Loss***. WMN applies the strategy for each client, based on the client's individual circumstances and financial situation. Investment decisions are made for clients based on information the client supplies about their financial situation, goals, and risk tolerance. Our investment choices may not be appropriate if the client does not provide us with accurate and complete information. It is the client's responsibility to keep WMN informed of any changes to their investment objectives or restrictions.

Clients may also request other restrictions on their accounts, including minimum levels of cash, or guidelines regarding the purchase or sale of specific securities, or security types within their account. WMN reserves the right to not accept and/or terminate management of a client's account if the client-imposed restrictions would limit or prevent us from meeting or maintaining the client's investment strategy.

## **Wrap Fee Programs**

WMN does not manage accounts as part of a wrap or bundled fee program.

## **Assets Under Management**

WMN manages client assets in discretionary accounts on a continuous and regular basis. As of 12/31/2011, the total amount of assets under our management was \$128,625,590.

## **ITEM 5 - FEES AND COMPENSATION**

### **Fee Schedule**

#### *Investment Management Services*

WMN charges advisory fees for investment management services. WMN's advisory fees are charged based on a percentage of the fair market value of the portfolio, per the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
First \$500,000	1.35%
Next \$500,000	1.25%
Next \$1,000,000	0.95%
Next \$1,000,000	0.85%
Excess over \$3,000,000	0.75%

Some accounts may be under different fee schedules honoring prior agreements. Our standard fee schedule may be negotiable based on a number of factors, which include but are not limited to "grandfathered" accounts, related accounts, and other structures that we may consider in special situations. We also manage some family and solicitor accounts, and accounts of clients' family members without charge. WMN generally aggregates family relationships for purposes of calculating the advisory fee rates applicable to each client. At our discretion, we may make pro-rations for additions or withdrawals greater than \$50,000 during a calendar quarter. The client's quarterly fee calculation will reflect any pro-rated additions and/or reductions.

#### *Fixed Fees*

In rare circumstances, WMN may provide evaluations of individual client financial circumstances for a mutually agreed upon flat fee.



### Minimum Fee

WMN generally requires a minimum advisory fee of \$1,250 per quarter to maintain an advisory account. If the regular quarterly management fee calculated based on assets under management is less than our minimum advisory fee, the client will be charged our minimum fee. At our discretion, we may waive the minimum fee requirement for clients with smaller portfolios based upon certain criteria including anticipated future additional assets, account composition, related accounts, and pre-existing client relationships.

## **Billing Method**

### Investment Management Services

For new client accounts, the initial advisory fees are payable, in arrears, at the beginning of the calendar quarter following receipt of assets into the client's account. The fee is calculated on a pro-rata basis based upon the number of days from the initial deposit through the end of the calendar quarter, using the following formula:  $(Quarterly\ Fee\ Rate) \times (Number\ of\ Days\ Assets\ Were\ in\ the\ Account\ /\ Total\ Number\ of\ Days\ In\ Quarter) \times (Total\ Assets\ Under\ Management\ at\ Quarter-End)$ .

Subsequent ongoing advisory fees are payable quarterly in advance at the beginning of each calendar quarter. We charge one fourth of the annual fee each quarter based on the market value of the client's portfolio as of the last business day of the prior calendar quarter. The formula used for the calculation is as follows:  $(Annual\ Fee\ Rate) \times (Total\ Assets\ Under\ Management\ at\ Quarter-End) / 4$ .

With client written authorization, WMN will automatically withdraw our advisory fee from the client's account held by Schwab. Typically, the custodian withdraws advisory fees from the client's account during the first month of each quarter based on WMN's instruction. All clients will receive brokerage statements from the custodian no less frequently than quarterly. The custodian statement will show the deduction of the advisory fee.

## **Other Fees and Expenses**

WMN's advisory fees do not include custodian fees. Clients pay all brokerage transaction fees, transfer fees, and/or other similar charges incurred in connection with transactions in accounts from the assets in the account, which are in addition to the advisory fees paid to WMN. See ***Item 12 - Brokerage Practices*** below for more information.

In addition, any mutual fund shares held in a client account may be subject to other fund-related expenses. The fund's prospectus fully describes the fees and expenses. All fees paid to WMN for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds. Mutual funds pay management fees to their managers, which are indirectly charged to all holders of the mutual fund shares.

## **Termination**

Either party may terminate the agreement upon thirty (30) days written notice to the other party. The client may terminate the agreement by writing to WMN at our office. WMN will refund any prepaid, unearned advisory fees. Upon termination of the agreement the client will receive a prorated refund of unearned advisory fees, which are calculated based on the effective termination date using the following formula:  $(Fees\ Paid) \times (Days\ Remaining\ in\ Quarter) / (Total\ Number\ of\ Days\ in\ Quarter)$ .

## **Other Compensation**

WMN does not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

WMN does not charge performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **ITEM 7 - TYPES OF CLIENTS**

WMN provides discretionary investment advisory services to individuals, high net worth individuals, trusts and estates, and individual participants of retirement plans. In addition, we provide advisory services to pension and profit sharing plans, not-for-profit organizations, and family offices.

## **Account Requirements**

Generally, WMN requires clients to maintain a minimum account size of \$500,000. Significant fund withdrawals may result in a request for additional fund deposits to continue with management of accounts. When permitted, we will combine family accounts to meet the account size minimum. WMN may reduce or waive the account minimum requirements at its discretion.

## **ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

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

#### *General Investment Strategies*

WMN generally uses diversification in an effort to optimize the risk and potential return within client investment portfolios. More specifically, we utilize multiple asset classes, investment styles, market capitalizations, sectors, and geographic regions to provide diversification. We may

utilize both passive and active investment management strategies in an effort to optimize portfolios.

WMN determines an appropriate asset allocation based on the clients' investment objectives, risk tolerance, and time horizon. Different instruments involve different levels of exposure to risk. Within each investment category, WMN selects individual securities with characteristics that are most consistent with the client's objectives. Individual client-directed restrictions are followed on an account-by-account basis.

WMN may, on rare occasions, recommend/utilize third-party investment advisers for the management of a portion of the client's portfolio depending on the client's investment objectives and financial situation.

### *Methods of Analysis for Selecting Securities*

WMN may use fundamental analysis, charting, and technical analysis in the selection of individual equity securities. Additionally, we may use specific strategies or resources in the method of analysis and selection of mutual funds and fixed income securities. WMN makes no guarantees, promises, or warranties as to the accuracy of our market analysis.

#### *Fundamental Analysis*

Fundamental analysis involves analysis of financial statements, the general financial health of companies, and /or the analysis of management or competitive advantages. WMN primarily uses fundamental analysis when selecting mutual funds, including the analysis of fund managers, annual reports, and any competitive advantages. Additionally, in analyzing and selecting mutual funds, we use public and private research sources, fund reporting, and fund conference calls. We review key characteristics including historical performance, consistency of returns, risk level, and size of fund. Expense ratio and other costs are also significant factors in fund selection.

#### *Charting Analysis*

Charting analysis involves the use of patterns in performance charts. WMN uses this charting technique to search for historic patterns in an effort to predict favorable conditions for buying and/or selling a security.

#### *Technical Analysis*

The effectiveness of technical analysis depends upon the accurate forecasting of major price moves or trends in the securities traded by WMN. However, there is no assurance of accurate forecasts or that trends will develop in the markets followed by WMN. In the past, there have been periods without discernable trends and, presumably, such periods will occur in the future. Even when major trends develop, outside factors such as government intervention or geopolitical events could potentially shorten them.

### *Debt Securities (Fixed Income)*

WMN rarely conducts transactions in individual fixed income securities. However, when appropriate, we rely on credit rating agencies such as Standard & Poor's and Moody's to help determine the financial strength of issuing creditors. We also review prospectuses and other relevant information from underwriters to help in analysis and selection of fixed income securities. WMN considers the financial strength of the issuer, call provisions, and liquidity factors in selecting bonds for purchase.

### *Specific Investment Strategies for Managing Portfolios*

WMN may use long-term strategic asset allocation, short-term tactical asset allocation, defensive, cash as a strategic asset, and dollar-cost-averaging strategies in the management of client portfolios.

#### *Long-Term Strategic Asset Allocation*

WMN generally uses long-term strategic asset allocation in client accounts. WMN's strategy mainly consists of purchasing, holding, and rebalancing a diversified portfolio of mutual funds and exchange traded funds (ETFs). WMN typically intends to hold these investments for the long term except when adjustments are necessary to rebalance the portfolio or to fund replacement acquisitions. When selecting publicly traded equities, WMN may focus on the potential for income and/or growth, depending on the client's investment objectives.

#### *Short-Term Tactical Asset Allocation*

On occasion, we may also use a tactical asset allocation strategy in the shorter term to deviate from a client's long-term allocation target in an effort to take advantage of what we perceive as market pricing anomalies, strong market sectors, or to avoid perceived weak sectors. Once the desired short-term opportunities have been achieved or that the perceived opportunities have passed, we generally return a client's portfolio to the original strategic asset allocation.

#### *Defensive Strategies*

As a prudent, tactical response to hyper-volatile financial markets, WMN may adopt a defensive strategy for client accounts by investing substantially in fixed income securities and/or money market instruments. WMN has full discretion in how it allocates client accounts among asset types. Actual allocation will vary over time in accounts. At any time, client accounts may hold significant levels of cash and/or cash equivalents. Account allocations are likely to vary compared to the overall equity markets as well as compared to any particular benchmark. There can be no guarantee that defensive techniques would be successful in avoiding losses.

#### *Cash as a Strategic Asset*

WMN may use cash as a strategic asset and may at times move or retain a large portion of client assets in cash or cash equivalents.

### *Dollar-Cost-Averaging*

Dollar cost averaging involves investing money in multiple installments over multiple time periods (months) to take advantage of price fluctuations in the attempt to obtain a lower average cost per share.

### *Additional Strategies*

WMN may indirectly utilize additional investment strategies employed by the managers of the funds we recommend. These may include but are not limited to:

- Short-selling
- Option strategies
- Trend methodology
- Market timing
- Hedging
- Leverage
- Inverse/enhanced market strategies
- Reverse convertible notes

Clients interested in learning more about any of the above strategies should contact us for more information. We may also consider additional strategies by specific client request.

### *Third-Party Advisers*

WMN may recommend/utilize third-party investment advisers based on the client's investment objectives and financial situation, and the other investment adviser's management style.

Depending on our agreement with the third-party manager, WMN may receive a percentage of the third-party advisor's management fee charged to the client we refer.

## **Investing Involves Risk**

Prior to entering into an agreement with WMN, the investor should carefully consider:

1. That investing in securities involves risk of loss which clients should be prepared to bear;
2. That securities markets experience varying degrees of volatility;
3. That over time the client's assets may fluctuate and at anytime be worth more or less than the amount invested; and
4. That clients should only commit assets that they feel are available for investment on a long-term basis.

## **Specific Security Risks**

### *General Risks of Owning Securities*

The prices of securities held in client accounts and the income they generate may decline in response to certain events taking place around the world. These include events directly

involving the issuers of securities held as underlying assets of mutual funds in client accounts, conditions affecting the general economy, and overall changes in financial markets. Other contributing factors include local, regional, or global political, social, or economic instability and governmental or governmental agency responses to economic conditions. Finally, currency, interest rate, and commodity price fluctuations may also affect security prices and income.

### *Mutual Funds (Open-end Investment Company)*

A mutual fund is a company that pools money from many investors and invests in stocks, bonds, short-term money-market instruments, other securities or assets, or some combination of these investments. The portfolio of the fund consists of the combined investment holdings it owns. Each share represents an investor's proportionate ownership of the fund's holdings and the income those holdings generate. The price that investors pay for mutual fund shares is the fund's per share net asset value (NAV).

The benefits of investing through mutual funds include:

#### Professionally Managed

Mutual funds are professionally managed by investment advisers who research, select, and monitor the performance of the securities purchased and held by the fund.

#### Diversification

Mutual funds typically have the benefit of diversification. Spreading investments across a wide range of companies and industry sectors can help lower the risk if a company or sector fails. Some investors find it easier to achieve diversification through ownership of mutual funds rather than through ownership of individual stocks or bonds.

#### Affordability

Some mutual funds accommodate investors with modest amounts of money to invest by setting relatively low dollar amounts for initial purchases, subsequent monthly purchases, or both.

#### Liquidity

At any time, mutual fund investors can readily redeem their shares at the current net asset value (NAV), less any fees and charges assessed on redemption.

Mutual funds also have features that some investors might view as disadvantages:

#### Costs Despite Negative Returns

Mutual funds may charge investors annual fees, and other expenses regardless of how the fund performs. Depending on the timing of their investment, investors may also have to pay taxes on any capital gains or income distributions they receive. This includes instances where the fund may have performed poorly after purchase.

### Lack of Control

Investors typically cannot ascertain the exact current allocation of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades.

### Price Uncertainty

With an individual stock, investors can obtain real-time (or close to real-time) pricing information with relative ease by checking financial websites or by calling a broker or investment adviser. Investors can also monitor how a stock's price changes from hour to hour—or even second to second. By contrast, the price at which an investor purchases or redeems shares of a mutual fund will typically depend on the fund's net asset value (NAV), which the fund might not calculate until many hours after the investor placed the order. In general, mutual funds must calculate their NAV at least once every business day, typically after the major U.S. exchanges close.

### *Different Types of Funds*

When it comes to investing in mutual funds, investors have literally thousands of choices. Most mutual funds fall into one of three main categories; money market funds, bond funds (also called “fixed income” funds), and stock funds (also called “equity” funds). Each type has different features and different risks and rewards. Generally, the higher the potential return, the higher the risk of loss.

#### *Money Market Funds*

Money market funds have relatively low risks, compared to other mutual funds (and most other investments). By law, they can invest in only certain high quality, short-term investments issued by the U.S. Government, U.S. corporations, and state and local governments. Money market funds try to keep their net asset value (NAV), which represents the value of one share in a fund, at a stable \$1.00 per share. However, the NAV may fall below \$1.00 if the fund's investments perform poorly. Investor losses have been rare, but they are possible. Money market funds pay dividends that generally reflect short-term interest rates, and historically the returns for money market funds have been lower than for either bond or stock funds.

#### *Bond Funds*

Bond funds generally have higher risks than money market funds, largely because they typically pursue strategies aimed at producing higher yields. Unlike money market funds, the SEC's rules do not restrict bond funds to high quality or short-term investments. Because there are many different types of bonds, bond funds can vary dramatically in their risks and rewards. There is a possibility that companies or other issuers may fail to pay their debts (including the debt owed to holders of their bonds). Consequently, this affects mutual funds that hold these bonds. Credit risk is less of a factor for bond funds that invest in insured bonds or U.S. Treasury Bonds. By contrast, those that invest in the bonds of companies with poor credit ratings generally will be subject to higher risk.

There is a risk that the market value of the bonds will go down when interest rates go up. Because of this, investors can lose money in any bond fund, including those that invest only in insured bonds or U.S. Treasury Bonds. Funds that invest in longer-term bonds tend to have higher interest rate risk. Issuers may choose to pay off debt earlier than the stated maturity date on a bond. For example, if interest rates fall, a bond issuer may decide to “retire its debt and issue new bonds that pay a lower rate. When this happens, the fund may not be able to reinvest the proceeds in an investment with as high a return or yield.

### *Stock Funds*

Although a stock fund’s value can rise and fall quickly (and dramatically) over the short term, historically stocks have performed better over the long term than other types of investments. Overall “market risk” poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad range of reasons—such as the overall strength of the economy or demand for particular products or services. Not all stock funds are the same. For example:

#### *Growth Funds*

Growth funds focus on stocks that may or may not pay a regular dividend but have the potential for large capital gains. These funds favor companies expected to grow earnings, which could result in stock prices rising faster than the economy. Growth stocks, which can be priced on future expectations rather than current results, may decline substantially when expectations are not met or general market conditions weaken.

#### *Equity Income Funds*

Equity income funds stress current income over growth, and may invest in stocks that pay regular dividends. These funds are subject to dividend payout risk, which is the possibility that a number of the companies in which the fund invests will reduce or eliminate the dividend on the securities held by the fund.

#### *Small Cap Funds*

Funds that invest in stocks of small companies involve additional risks. Smaller companies typically have higher risk of failure, and are not as established as larger blue-chip companies are. Historically, smaller-company stocks have experienced a greater degree of market volatility than the overall market average.

#### *Mid Cap Funds*

Funds that invest in companies with mid-range market capitalizations involve additional risks. The securities of these companies may be more volatile and less liquid than the securities of larger companies.

#### *Index Funds*

Index funds aim to achieve the same return as a particular market index, such as the S&P 500 Composite Stock Price Index, by investing in all—or perhaps a representative sample—of the companies included in an index.



### International Funds

International investments are subject to additional risks, including currency fluctuation, political instability, and potential illiquid markets.

### Emerging Market Funds

Funds that invest in foreign securities of smaller, less-developed countries involve special additional risks. These risks include, but are not limited to currency risk, political risk and risk associated with varying accounting standards. Investing in emerging markets may accentuate these risks.

### Sector Funds

Sector funds may specialize in a particular industry segment, such as technology or consumer products stocks. Funds that invest exclusively in one sector or industry involve additional risks. The lack of industry diversification subjects the investor to increased industry-specific risk.

### Real Estate Investment Trust (REIT) Funds

REIT Funds include real estate investment trust fund stocks within the underlying fund holdings. REITs primarily invest in real estate or real estate-related loans. Equity REITs own real estate properties, while mortgage REITs hold construction, development, and/or long-term mortgage loans. REIT investments include illiquidity and interest rate risk.

### Real Estate Funds

Investments in real estate funds are subject to the risks related to direct investment in real estate, such as real estate risk, regulatory risks, concentration risk, and diversification risk.

### Absolute Return Funds

In general, a mutual fund seeks to produce returns that are better than its peers, its fund category, and/or the market as a whole. This type of fund management is referred to as a relative return approach to fund investing. Absolute return differs from relative return because it is concerned with the return of a particular asset and does not compare it to any other measure or benchmark. As an investment vehicle, an absolute return fund seeks to make positive returns by employing investment management techniques that differ from traditional funds, such as short selling, futures, options, derivatives, arbitrage, leverage, and unconventional assets.

### Alternative Investment Funds

Alternative investments fall outside the three traditional asset types (stocks, bonds, and cash). Alternative investments include hedge funds, managed futures, real estate, commodities and derivatives contracts. Alternative investments funds are favored mainly because their returns have a low correlation with those of standard asset classes. Because of this, many large institutional funds such as pensions and private endowments have begun to allocate a small portion of their portfolios to alternative investments such as hedge funds.

### *Tax Consequences of Mutual Funds*

When investors buy and hold an individual stock or bond, the investor must pay income tax each year on the dividends or interest received. However, the investor will not have to pay any capital gains tax until the investor actually sells and makes a profit. Mutual funds are different. When an investor buys and holds mutual fund shares, the investor will owe income tax on any ordinary dividends in the year the investor receives or reinvests them. Moreover, in addition to owing taxes on any *personal capital gains* when the investor sells shares, the investor may have to pay taxes each year on the *fund's capital gains*. That is because the law requires mutual funds to distribute capital gains to shareholders if they sell securities for a profit that cannot be offset by a loss.

### *Exchange-Traded Funds (ETFs)*

An ETF is a type of Investment Company (usually, an open-end fund or unit investment trust) containing a basket of stocks or bonds. Typically, the objective of an ETF is to achieve returns similar to a particular market index, including sector indexes. An ETF is similar to an index fund in that it will primarily invest in securities of companies that are included in a selected index or market segment. Unlike traditional mutual funds, which can only be redeemed at the end of a trading day, ETFs trade throughout the day on an exchange. Like mutual funds, the prices of the underlying securities and the overall market may affect ETF prices. Similarly, factors affecting a particular industry segment may affect ETF prices that track that particular sector.

ETFs traditionally have been index funds, but in 2008, the U.S. Securities and Exchange Commission began to authorize the creation of actively managed ETFs.

### *Closed-end Fund*

Closed-end funds do not continually offer their shares for sale. Rather, they sell a fixed number of shares at an initial offering, after which the shares typically trade on a secondary market, such as the New York Stock Exchange or the NASDAQ Stock Market. Risk factors pertaining to closed-end funds vary from fund to fund. In addition to the risks described above in mutual funds, closed-end funds are subject to the following risks:

#### Valuation Risk

Common shares may trade above (a premium) or below (a discount) the net asset value (NAV) of the trust/fund's portfolio. At times, discounts could widen or premiums could shrink which could either dilute positive performance or compound negative performance. There is no assurance that discounted funds will appreciate to their NAV.

#### Fluctuating Dividends in Actively Managed Portfolios

The composition of the trust/fund's portfolio could change, which, all else being equal, could cause a reduction in dividends paid to common shares. Certain closed-end funds invest in common stocks. There is no guarantee of dividends from these common stocks. Fluctuations in dividend levels over time, up and down, are to be expected.

### Equity Securities

Equity securities represent an ownership position in a company. Equity securities typically consist of common stocks. The prices of equity securities fluctuate based on, among other things, events specific to the issuer and financial markets, economic and other conditions.

#### *Small Capitalization Equity Securities*

Investing in smaller companies may pose additional risks as it is often more difficult to value or dispose of small company stocks, more difficult to obtain information about smaller companies, and the prices of their stocks may be more volatile than stocks of larger, more established companies. Clients should have a long-term perspective and, for example, be able to tolerate potentially sharp declines in value.

#### *American Depositary Receipts (ADRs)*

An ADR is a stock that trades in the United States but represents a specified number of shares in a foreign corporation. Investors buy and sell ADRs on American markets just like regular stocks. Banks and brokerage firms issue/sponsor ADRs. ADRs are subject to additional risks of investing in foreign securities, including, but not limited to, less complete financial information available about foreign issuers, less market liquidity, more market volatility, and political instability. In addition, currency exchange-rate fluctuations affect the U.S. dollar-value of foreign holdings.

Some ADRs and ordinary shares of foreign securities pay dividends, and many foreign countries impose dividend withholding taxes up to 30%. Depending on a custodian's ability to reclaim any withheld foreign taxes on dividends, taxable accounts may be able to recoup a portion of these taxes by use of the foreign tax credit. However, tax-exempt accounts, to the extent they pay any foreign withholding taxes, may not be able to utilize the foreign tax credit. Therefore, investors may be unable to recover any foreign taxes withheld on dividends of foreign securities or ADRs.

### Municipal Bonds

Municipal bonds are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket.

### Investing Outside the U.S.

Investing outside the United States may involve additional risks. These risks may include the following: currency controls and fluctuating currency values, and different accounting, auditing, financial reporting, disclosure, and regulatory and legal standards and practices. Additional factors may also include the following: changing local, regional, and global economic, political, and social conditions. Further, expropriation, changes in tax policy, greater market volatility, different securities market structures, and higher transaction costs can be contributors. Finally,

various administrative difficulties, such as delays in clearing and settling portfolio transactions or in receiving payment of dividends can also lead to additional risk.

### Cash and Cash Equivalents

Client accounts may hold cash or invest in cash equivalents, which are the most liquid of investments. Cash and cash equivalents are considered very low-risk investments meaning, there is little risk of losing the principal investment. Typically, low risk also means low return and the interest an investor can earn on this type of investment is low relative to other types of investing vehicles.

## **ITEM 9 - DISCIPLINARY INFORMATION**

WMN does not have any disciplinary information to disclose.

## **ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

WMN does not offer any other services or have any affiliates in the financial industry.

## **ITEM 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **Code of Ethics**

WMN believes that we owe clients the highest level of trust and fair dealing. As part of our fiduciary duty, we place the interests of our clients ahead of the interests of the firm and our personnel. WMN's personnel are required to conduct themselves with integrity at all times and follow the principles and policies detailed in our Code of Ethics.

WMN's Code of Ethics attempts to address specific conflicts of interest that either we have identified or that could likely arise. WMN's personnel are required to follow clear guidelines from the Code of Ethics in areas such as gifts and entertainment, other business activities, prohibitions of insider trading, and adherence to applicable state and federal securities laws. Additionally, individuals who make securities recommendations to clients, or who have access to information regarding any clients' purchase or sale of securities, are subject to personal trading policies governed by the Code of Ethics (see below).

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

### Personal Trading Practices

WMN and our personnel may purchase or sell securities for themselves, regardless of whether the transaction would be appropriate for the client account. WMN and our personnel may purchase or sell securities for themselves that we also recommend to clients. This includes

related securities (e.g., warrants, options, or futures). This presents a potential conflict of interest as we may have an incentive to take investment opportunities from clients for our own benefit, favor our personal trades over client transactions when allocating trades, or to use the information about the transactions we intend to make for clients to our personal benefit by trading ahead of clients.

Our policies to address these conflicts include the following:

1. The client receives allocations of investment selections prior to and in preference to accounts of WMN and our personnel.
2. WMN prohibits trading in a manner that takes personal advantage of price movements caused by client transactions.
3. If we wish to purchase or sell the same security as we take action to purchase or sell for a client, we will not do so until the custodian fills client orders. (except when the transaction meets our ***de minimis policy*** described below) As a result of this policy, it is possible that clients will receive a better or worse price than WMN or any employee for the same security on the same day as a client or one or more days before or after the client's transaction.
4. WMN requires our personnel to obtain pre-approval for certain personal trades from the Chief Compliance Officer.
5. WMN requires our personnel to report personal securities transactions on a quarterly basis.

### *De minimis Policy*

Securities transactions by WMN and its personnel are generally subject to a pre-clearance policy that seeks to make personal trading consistent with our fiduciary duty to clients. However, WMN and our personnel are not required to pre-clear certain de minimis transactions that we believe would not adversely affect client interests or the securities markets when conducting small transactions in largely capitalized/frequently traded securities. WMN and our personnel are not required to pre-clear the following types of transactions:

#### Equity Securities

The transaction is under \$20,000 and the security has a market capitalization of over \$2 billion and the security trades on the NYSE or other domestic exchange/financial market, including NASDAQ (excluding all options).

### Exchange Traded Funds

The transaction is under \$20,000 and the security has an average daily trading volume of over one million shares and the security trades on the NYSE/AMEX or other domestic exchange/financial market, including NASDAQ.

### Debt Securities

The bond purchase or sale is less than \$100,000 in principal amount per issuer.

### Ban on Short-Term Trading Profits

All personal and proprietary transactions that fall under the de minimis exemption above are subject to a 30-day ban on short-term trading profits except when selling the position at a loss. We may make exceptions to the 30-day ban when the trade would not disadvantage any client.

## ITEM 12 - BROKERAGE PRACTICES

### The Custodian and Brokers We Use

#### Investment Management Services

Clients must maintain assets in an account at a “qualified custodian,” generally a broker-dealer or bank. We recommend that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian. WMN is independently owned and operated, and has no affiliation with Schwab. Schwab will hold WMN client assets in a brokerage account, and buy and sell securities as instructed by WMN.

While we recommend that clients use Schwab as custodian/broker, each client must decide whether to do so and open accounts with Schwab by entering into account agreements directly with them. We do not open accounts for clients, although we may assist them with the process. Even though clients maintain accounts at Schwab, on rare occasions, we may use other brokers to execute trades for client accounts (see **Client Brokerage and Custody Costs**, below).

#### *How We Select Brokers/Custodians*

We seek to recommend a custodian/broker who will hold client assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

1. Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
2. Capability to execute, clear, and settle trades (buy and sell securities for client accounts)
3. Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
4. Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
5. Availability of investment research and tools that assist us in making investment decisions

6. Quality of services
7. Competitiveness of the price of those services (commission rates, other fees, etc.) and willingness to negotiate the prices
8. Reputation, financial strength, and stability
9. Prior service to us and our other clients
10. Availability of other products and services that benefit us, as discussed below (see ***Products and Services Available to Us From Schwab***)

### *Client Brokerage and Custody Costs*

For our clients' accounts that Schwab maintains, Schwab generally does not charge separately for custody services. However, Schwab receives compensation by charging transaction fees or other fees on trades that it executes or that settle into client accounts.

In addition, Schwab charges a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into a client's Schwab account. These fees are in addition to the commissions or other compensation the client pays the executing broker-dealer. Because of this, in order to minimize trading costs, we have Schwab execute most trades for client accounts. We have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of client trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see ***How We Select Brokers/Custodians***).

### *Products and Services Available to Us from Schwab*

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab's business serving independent investment advisory firms. They provide WMN and our clients with access to its institutional brokerage, trading, custody, reporting, and related services, many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts; others help us manage and grow our business. Schwab's support services generally are available on an unsolicited basis (we do not have to request them) and at no charge to us.

Following is a more detailed description of Schwab's support services:

#### **Services That Benefit Our Clients**

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit our clients and their accounts.

### Services That May Not Directly Benefit Our Clients

Schwab also makes available to us other products and services that benefit us but may not directly benefit our clients or their accounts. These products and services assist us in managing and administering our client accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our client accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

1. Provide access to client account data (such as duplicate trade confirmations and account statements)
2. Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
3. Provide pricing and other market data
4. Facilitate payment of our fees from our clients' accounts
5. Assist with back-office functions, recordkeeping, and client reporting

### Services That Generally Benefit Only Us

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

1. Educational conferences and events
2. Consulting on technology, compliance, legal, and business needs
3. Publications and conferences on practice management and business succession
4. Access to employee benefits providers, human capital, and technology consultants.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

### Our Interest in Schwab's Services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We do not have to pay for Schwab's services WMN primarily supports our selection of Schwab by the scope, quality, and price of Schwab's services (see ***How We Select Brokers/Custodians***, above) and not Schwab's services that benefit only us.

### Directed Brokerage Transactions

WMN will not allow clients to direct WMN to use a specific broker-dealer to execute transactions. Clients must use the broker-dealer that WMN recommends. Not all investment advisers require their clients to trade through specific brokerage firms. Since we require our clients to maintain their accounts with Schwab, it is also important for clients to consider and compare the significant differences between having assets custodied at another broker-dealer, bank or other custodian prior to opening an account with us. Some of these differences include,



but are not limited to; total account costs, trading freedom, transaction fees/commission rates, and security and technology services. By requiring clients to use Schwab, WMN believes we may be able to more effectively manage the client's portfolio, achieve favorable execution of client transactions, and overall lower the costs to the portfolio.

### **Aggregation and Allocation of Transactions**

WMN may aggregate transactions if we believe that aggregation is consistent with the duty to seek best execution for our clients and is consistent with the disclosures made to clients and terms defined in the client investment advisory agreement. No advisory client will be favored over any other client, and each account that participates in an aggregated order will participate at the average share price (per custodian) for all transactions in that security on a given business day. WMN does not aggregate trades of our personnel with those of client accounts, except when transacting in mutual fund orders, which are only priced once daily.

## **ITEM 13 - REVIEW OF ACCOUNTS**

### **Managed Account Reviews**

WMN seeks to meet client objectives by monitoring and rebalancing clients' investment portfolios on a regular basis. Frequency of review is determined by both the individual client and WMN and may be quarterly, semi-annually, annually, or any other chosen interval. WMN may request more frequent reviews if we determine that special circumstances or material factors warrant additional attention.

Laine R. Ainsworth and Mark L. Moehlman, Managing Members, conduct all reviews based on a variety of factors. These factors may include but are not limited to stated investment objectives, economic environment, outlook for the securities markets, and the profile of the securities within the accounts.

In addition, we may conduct a special review of an account based one or more of the following:

1. A change in the client's investment objectives, guidelines and/or financial situation;
2. Changes in diversification;
3. Tax considerations; and
4. Material cash deposits or withdrawals.

### **Account Reporting**

Each client receives a written statement from Schwab that includes an accounting of all holdings and transactions in the account on at least a quarterly basis (typically monthly). In addition, all investment advisory clients will receive quarterly investment portfolio reports, which detail performance and weightings by asset class, security, and account.

## ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

If an unaffiliated or an affiliated solicitor introduces a client to WMN, we may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements.

If an unaffiliated solicitor introduces a client to WMN, that solicitor will disclose the nature of the relationship with WMN at the time of the solicitation. In addition, the solicitor will provide each prospective client with a copy of this brochure, and a copy of the written disclosure statement from the solicitor to the client disclosing the terms and conditions of the arrangement between WMN and the solicitor, including the compensation the solicitor will receive from WMN. Any affiliated solicitor of WMN will disclose the nature of the relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of this brochure.

## ITEM 15 - CUSTODY

WMN has limited custody of some of our clients' funds or securities when the client authorizes us to deduct our management fees directly from their account. A qualified custodian holds clients' funds and securities. Clients will receive statements directly from their qualified custodian at least quarterly. The statements will reflect the client's funds and securities held with the qualified custodian as well as any transactions that occurred in the account, including the deduction of our fee.

Clients should carefully review the account statements they receive from the qualified custodian. When clients receive statements from WMN as well as from the qualified custodian, they should compare these two reports carefully. Clients with any questions about their statements should contact us at the address or phone number on the cover of this brochure. Clients who do not receive a statement from their qualified custodian at least quarterly should also notify us.

## ITEM 16 - INVESTMENT DISCRETION

WMN has full discretion to decide the specific security to trade, the quantity, and the timing of transactions for client accounts. WMN will not contact clients before placing trades in their account, but clients will receive confirmations directly from the custodian for any trades placed. Clients grant us discretionary authority in the contracts they sign with us. Clients also give us trading authority within their accounts when they sign the custodian paperwork.

Certain client-imposed conditions may limit our discretionary authority, such as when the client prohibits transactions in specific security types or market sectors. See also ***Tailored Services and Client Imposed Restrictions***, above.

## ITEM 17 - VOTING CLIENT SECURITIES

### Proxy Voting

WMN does not accept or have the authority to vote client securities. WMN will not be deemed to have proxy voting authority solely as a result of providing advice or information about a particular proxy vote to a client. Clients will receive their proxies or other solicitations directly from their custodian or a transfer agent.

### *ERISA*

For accounts subject to ERISA, an authorized plan fiduciary other than WMN will retain proxy voting authority. Our investment advisory agreement and/or the plan's written documents will evidence and outline this authority.

### *Mutual Funds*

The investment adviser that manages the assets of a registered investment company (i.e., mutual fund) generally votes proxies issued on securities held by the mutual fund.

### Class Actions

WMN does not instruct or give advice to clients on whether or not to participate as a member of class action lawsuits and will not automatically file claims on the client's behalf. However, if a client notifies us that they wish to participate in a class action, we will provide the client with any transaction information pertaining to the client's account needed for the client to file a proof of claim in a class action.

## ITEM 18 - FINANCIAL INFORMATION

Registered investment advisers are required in this item to provide clients with certain financial information or disclosures about the firm's financial condition. WMN does not require the prepayment of more than \$1,200 in fees per clients, six months or more in advance, and does not foresee any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

# **Form ADV, Part 2B Brochure Supplement**

**Laine R. Ainsworth**  
**Mark L. Moehlman**

**Wealth Management Network, LLC**

610 Newport Center Drive  
Suite 280  
Newport Beach, CA 92660  
(949) 720-9980

**March 21, 2012**

This brochure supplement provides information about Laine R. Ainsworth and Mark L. Moehlman that supplements the Wealth Management Network, LLC brochure. You should have already received a copy of that brochure. Please contact our Director of Operations if you did not receive our brochure or if you have any questions about the contents of this supplement.

Additional information about Laine R. Ainsworth and Mark L. Moehlman is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Laine R. Ainsworth

### ITEM 2 - EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

**Laine R. Ainsworth**, Managing Member, Chief Compliance Officer, b. 1951

*Education:*

- BA, Economics, University of California, Los Angeles, 1975
- CFP®, College for Financial Planning, 1990

*Business Background:*

- Co-founder and Principal of Wealth Management Network, LLC, 2003 to present

*Professional Designations*

Laine R. Ainsworth holds the following professional designations:

*Certified Financial Planner*

The CERTIFIED FINANCIAL PLANNER™ and CFP® (collectively, the “CFP® marks”) are professional certification marks granted in the United States by the Certified Financial Planner Board of Standards, Inc. (“CFP® Board”). The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. The CFP® is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients.

To earn the credential, each CFP® candidate must have a bachelor’s degree (or higher) from an accredited college or university and three years of full-time personal financial planning experience. In addition, candidates must take the CFP® Certification examination and complete a CFP® -board registered program or hold an accepted designation, degree, or license. Every two years, CFP® certificate holders must complete a minimum of 30 hours of continuing education. More information regarding the CFP® is available at <http://www.cfp.net/default.asp>.

### ITEM 3 - DISCIPLINARY INFORMATION

Laine R. Ainsworth has no disciplinary history to disclose.

### ITEM 4 - OTHER BUSINESS ACTIVITIES

Laine R. Ainsworth’s only business is providing investment advice through WMN.

### ITEM 5 - ADDITIONAL COMPENSATION

Laine R. Ainsworth’s only compensation comes from his employment with and ownership of WMN.

## **ITEM 6 - SUPERVISION**

Laine R. Ainsworth and Mark L. Moehlman are the Principals of WMN and jointly supervise all employees. They can both be reached by calling (949) 720-9980.

## **Mark L. Moehlman**

### **ITEM 2 - EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE**

**Mark L. Moehlman**, Managing Member, b. 1945

*Education:*

- BS, Business, University of Southern California, 1966
- MBA, University of Southern California, 1968

*Business Background:*

- Co-founder and Principal of Wealth Management Network, LLC, 2003 to present

### **ITEM 3 - DISCIPLINARY INFORMATION**

Mark L. Moehlman has no disciplinary history to disclose.

### **ITEM 4 - OTHER BUSINESS ACTIVITIES**

Mark L. Moehlman's only business is providing investment advice through WMN.

### **ITEM 5 - ADDITIONAL COMPENSATION**

Mark L. Moehlman's compensation comes from his employment with and ownership of WMN. Mr. Moehlman could also receive commissions from the sale of insurance products based on his active license status with the State of California. However, he does not currently offer insurance products to clients of WMN or any other individual.

### **ITEM 6 - SUPERVISION**

Laine R. Ainsworth and Mark L. Moehlman are the Principals of WMN and jointly supervise all employees. They can both be reached by calling (949) 720-9980.

## FACTS

### WHAT DOES WEALTH MANAGEMENT NETWORK, LLC DO WITH YOUR PERSONAL INFORMATION?

#### Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

#### What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- account balances and transaction history
- assets and risk tolerance

When you are *no longer* our customer, we continue to share your information as described in this notice.

#### How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Wealth Management Network, LLC chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Wealth Management Network, LLC share?	Can you limit this sharing?
For our everyday business purposes - as permitted by law	YES	NO
For our marketing purposes - to offer our products and services to you	NO	We Don't Share
For joint marketing with other financial companies	NO	We Don't Share
For our affiliates' everyday business purposes - information about your transactions and experiences	NO	We Don't Share
For our affiliates' everyday business purposes - information about your creditworthiness	NO	We Don't Share
For nonaffiliates to market to you	NO	We Don't Share

#### Questions?

Call (949) 720-9980 or go to <http://www.theWMN.com/>



## WHO WE ARE

Who is providing this notice?	Wealth Management Network, LLC
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## WHAT WE DO

How does Wealth Management Network, LLC protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Wealth Management Network, LLC collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>• seek advice about your investments</li> <li>• enter into an investment advisory contract</li> <li>• tell us about your investment or retirement portfolio</li> <li>• tell us about your investment or retirement earnings</li> <li>• give us your contact information</li> </ul> <p>We also collect your personal information from other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> <li>• sharing for affiliates' everyday business purposes - information about your creditworthiness</li> <li>• affiliates from using your information to market to you</li> <li>• sharing for nonaffiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>

## DEFINITIONS

<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>• <i>Wealth Management Network, LLC has no affiliates</i></li> </ul>
<b>Nonaffiliates</b>	<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> <li>• <i>Wealth Management Network, LLC does not share with nonaffiliates so they can market to you</i></li> </ul>
<b>Joint Marketing</b>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>• <i>Wealth Management Network, LLC doesn't jointly market</i></li> </ul>