

Form ADV Part 2A

Brochure Cover Page

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This Brochure provides information about the qualifications and business practices of **WPN Corporation**. If you have any questions about the contents of this Brochure, please contact us at (212) 771-1292 or at [bfooden.wpncorp@gmail.com](mailto:bfooden.wpncorp@gmail.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about **WPN Corporation** also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

**Not Applicable**

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#### **Item 4 – Advisory Business**

- A. WPN Corporation (hereinafter, “WPN”) is a Delaware corporation incorporated in with principal offices in New York City and a branch office in Palm Beach, Florida. The principal owners of WPN are Ronald LaBow and Lauri Cornell Labow, as Tenants in the Entirety. The firm has been in business since 1987.
- B. WPN is an SEC registered (CRD 146737) Investment Manager and Investment Advisor for ERISA Qualified corporate pension plans. Since 1998, WPN has managed two separate plans for WHX Corporation and in 2009 was appointed Investment Manager/ Advisor for the Gencorp corporate pension plan fund. WPN has no other clients and does not solicit new business. WPN selects, screens, approves and monitors other independent investment managers, advisors and fund of funds to manage a portion of the pension funds for which it is the overall manager. The use of outside, independent managers ensures diversification of the funds under management, expertise and experience in various disciplines, types of investment and strategies and fresh approaches and ideas for consideration. Outside independent managers are carefully selected and screened using WPN’s professional and strict standards and guidelines. Once a manager or fund is approved, their performance and investment strategies are carefully monitored to ensure compliance with WPN’s overall investment strategy and goals. WPN also manages a portion of each clients’ portfolio, consisting primarily of government agency mortgage-backed securities and high quality convertible corporate debt and equities.
- C. Our investment management and advisory services are specifically tailored to meet the written investment policies provided by our clients. Additionally ERISA regulations contain restrictions on qualified plans owning certain types of securities and these regulations are strictly adhered to with respect to our clients’ portfolios. WPN seeks to provide above-market returns as compared to various indices with a low risk profile.
- D. WPN does not participate in wrap fee programs.
- E. WPN managed on a discretionary basis \$1,191,000,000 on a discretionary basis as of December 31, 2010, our last fiscal year end. WPN does not manage any assets on a non-discretionary basis.

## Item 5 – Fees and Compensation

- A. All fees are subject to negotiation. The specific manner in which fees are charged by WPN is established in a client's written agreement with WPN.
- B. WPN will generally bill its fees on a monthly basis. Clients are billed in arrears each calendar month. Clients are billed directly for fees; WPN is not authorized to directly debit fees from client accounts. Management fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar month. Accounts initiated or terminated during a calendar month will be charged a prorated fee. Upon termination of any account, any earned, unpaid fees will be due and payable.
- C. WPN's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to WPN's fee, and WPN does not receive any portion of these commissions, fees, and costs. Item 12 further describes the factors that WPN considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).
- D. Clients do not pay management fees in advance.
- E. Supervised persons of WPN do not accept compensation for the sale of securities or other investment products, in any manner.

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

WPN does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

## **Item 7 – Types of Clients**

WPN provides investment management services exclusively to corporate pension, benefit and profit-sharing plans. WPN does not seek or solicit to provide investment management services to any other types of clients.

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

WPN specializes in investment strategies using a combination of different types of securities, including government agency mortgage-backed debt securities, convertible and non-convertible debt issued by the US government and domestic large cap corporate entities, preferred and common shares issued by domestic large cap corporate entities. Our goal is to provide our clients above average market returns on investment without exposing the investment portfolios to an undue level of risk. We also select designated managers and sub-advisors with differing investment strategies, methods of analysis and markets to manage a majority of the portfolios to assure diversification and lower market risk exposure.

Our portfolio managers use a variety of analysis tools to determine portfolio strategy and specific investments including:

1. Research and commentary from specialists, analysts, subadvisors, other registered investment advisors and broker-dealers.
2. Bloomberg LP communication. Trading and analysis tools.
3. Proprietary analysis and modeling tools developed in-house.
4. Company annual reports, prospectuses and regulatory agency filings.

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

A. The strategies and methods of analysis is subject to many risks and you could lose money on an investment in our strategy and portfolios. There can be no assurance that we will achieve our investment objectives. The principal risks to a portfolio inherent in ours and our selected designated managers include:

1. Portfolio Selection Risk - the value of your investment may decrease if our judgment about the attractiveness, value or market trends affecting a particular security, issuer, industry or sector is incorrect.
2. Quality risk - below investment grade and non-rated securities of similar credit quality are subject to greater levels of credit and liquidity risk. These securities are considered primarily speculative with respect to the issuer's continuing ability to make principal and interest payments.

3. Liquidity risk - Liquidity risk exists when a particular investment is difficult to purchase or sell. Our investments in illiquid securities may reduce the returns of the portfolio because we may be unable to sell the illiquid securities at an advantageous time or price.
  4. Credit risk - an issuer of a fixed income security could be downgraded or default. If we hold securities that have been downgraded, or that default on payment, the portfolio's performance could be negatively affected.
  5. Interest rate risk - the value of fixed income securities generally decreases in periods when interest rates are rising. In addition, interest rate changes typically have a greater effect on prices of longer-term fixed income securities than shorter term fixed income securities.
  6. Convertible securities risk - the value of a convertible security is influenced by fluctuations in the price of the underlying common stock into which it is convertible. The standing of the issuer will also have an effect on the convertible security's investment value
  7. Convertible Hedging Risk - fluctuations in outstanding short position liabilities will mitigate gains and losses in the underlying convertible securities.
  8. Options risk - our ability to close out our positions as a seller of an over-the-counter or exchange-listed put or call options is dependent, in part, upon the liquidity of the option market. There are significant differences between the securities and options markets that could result in an imperfect correlation among these markets, causing a given transaction not to achieve its objectives. Our ability to utilize options successfully will depend on the ability to predict pertinent market movements, which cannot be assured.
- B. With regard to any particular type of security recommended or held in our discretionary portfolios, the risks identified above adequately explain the primary risk factors inherent in all securities held for our clients. We do not believe there is any significant or unusual risks inherent in our securities held in our clients' portfolios.



## **Item 9 – Disciplinary Information**

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

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

Ronald LaBow, the principal owner, CEO and portfolio manager of WPN is also the principal owner, CEO and manager of Stonehill Investment Corp, the principal advisor to Stonehill Partners, LP, a private investment company. Ronald Labow is also a general partner of Stonehill Partners LP. WPN, Ronald Labow and Stonehill Investment Corp do not receive any management fees from Stonehill Partners or any other related person. We do not believe that this relationship creates any material conflict of interest with WPN's clients.

WPN does not receive any compensation directly or indirectly from, or have any other business relationship that creates a conflict of interest with, other investment advisors it recommends or selects for its clients.

## Item 11 – Code of Ethics

WPN has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at WPN must acknowledge the terms of the Code of Ethics annually, or as amended.

WPN anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which WPN has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which WPN, its affiliates and/or clients, directly or indirectly, have a position of interest. WPN's employees and persons associated with WPN are required to follow WPN's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of WPN and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for WPN's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of WPN will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of WPN's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between WPN and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with WPN's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. WPN will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to

the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

WPN's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Bart L. Fooden, Chief Compliance Officer..

It is WPN's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. WPN will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

In addition to the Code of Ethics, WPN has in place written compliance policies and procedures as well as a designated Chief Compliance Officer to comply with SEC Rule 206(4)-7. Employees must participate in annual compliance reviews and adhere to personal securities trading restrictions and reporting requirements.

## **Item 12 – Brokerage Practices**

WPN obtains written authority (in the Investment Management Agreements) from separate account clients invested in for full, discretionary authority as to the broker-dealer to be used in the buying or selling of securities and for custody of clients' assets. Any limitations on discretionary authority for separate account clients must be contained in the written investment management agreement. Clients may change or amend these limitations as required so long as they are in writing and agreed to by both parties. In all cases, WPN will attempt to use the broker-dealer offering the best price and execution for all trades. Other factors considered in selecting the broker-dealer used in the buying or selling of securities and for custody of clients' assets include the broker-dealer trading desk strengths, depth of coverage, market making support, administrative support and reporting capabilities, competitiveness of prices and commission rates on underlying common stock trades.

Other factors considered in selecting the broker-dealer used in the buying or selling of securities and for custody of clients' assets, with approval of WPN.

Designated managers selected by WPN to manage a portion of the clients' portfolio generally have discretionary authority to select the broker-dealer used in the buying or selling of securities and for custody of clients' assets, with approval of WPN.

Soft dollar benefits are not proportionally allocated to any accounts that may generate different amounts of the soft dollar benefits.

## **Item 13 – Review of Accounts**

Accounts controlled by WPN are reviewed periodically, at least monthly on a formal basis, and more frequently depending upon the level of trading activity within any particular account.

Accounts assigned to designated managers selected by WPN are normally reviewed on a monthly basis, unless special circumstances require an interim review.

WPN and all of the designated managers selected by WPN provide comprehensive monthly reports to the Trustee and Plan Administrator on a monthly basis.

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

WPN does not compensate, directly or indirectly, any person or entity for client referrals.

#### **Item 15 – Custody**

Clients receive at least monthly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. WPN also reviews statements and reports generated by our selected designated managers. Monthly reports on all accounts are provided to the Trustee, Plan Administrator and to the client.

#### **Item 16 – Investment Discretion**

WPN requires discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought and sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, WPN observes the investment policies, limitations and restrictions of the clients for which it advises. For qualified retirement plans, WPN's authority to trade securities may also be limited by certain federal securities and tax laws that restrict the authority to trade and hold certain types of securities and require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to WPN in writing.

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

WPN acts for all clients in proxy voting, corporate action decisions and legal proceedings held within client portfolios. Clients may obtain a copy of WPN's complete proxy voting policies and procedures upon request. Clients may also obtain information from WPN about how WPN voted any proxies on behalf of their account(s).

### **Item 18 – Financial Information**

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

### **Item 19 – Requirements for State-Registered Adviser**

Not applicable.

Form ADV Part 2B

**Brochure Supplement**

Ronald Labow

WPN CORP

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New York, NY 10022

(212) 771-1250

Date of Supplement: 3/15/2011

**This Brochure Supplement provides information about Ronald Labow that supplements the WPN Corp.'s Brochure. You should have received a copy of that Brochure. Please contact Bart L. Fooden, Chief Compliance Officer if you did not receive WPN Corp.'s Brochure or if you have any questions about the contents of this supplement.**

**Additional information about Ronald Labow is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**



**Form ADV Part 2B – WPN Corp.**

**Item 2- Educational Background and Business Experience**

Name: Ronald Labow

Age: 76

Business Background:

1991 - present: President and principal of WPN Corp.

1990 – present: President and principal of Stonehill Investment Corp.

2007 – present: Director of SP Acquisitions Holdings, Inc.

2005 – 2008: Director of BKF Capital Group, Inc.

Educational Background:

University of Illinois, Bachelor of Science, 1959

Columbia University, Master of Science, 1961

New York Law School, Bachelor of Laws, 1962

New York Law School, Master of Law, 1964

## **Form ADV Part 2B – WPN Corp.**

### **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

### **Item 4- Other Business Activities**

- A. Mr. Labow is not actively engaged in any investment-related business or occupation other than WPN.
- B. Mr. Labow's other business activities represent less than 10% of his total time and income and are therefore not considered substantial. No further disclosures are required at this time.

### **Item 5- Additional Compensation**

N/A

### **Item 6 – Supervision**

Mr. Labow's activities within WPN are monitored by other members of the firm including Bart L. Fooden, Chief Compliance Officer. The Chief Compliance Officer monitors Mr. Labow's personal trading activity, email and correspondence activity, outside business activity and portfolio trading and investment management activities.

### **Item 7- Requirements for State-Registered Advisers**

N/A