

FORM ADV PART 2  
DISCLOSURE BROCHURE

**WEA FINANCIAL ADVISORS, INC.**

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**This brochure provides information about the qualifications and business practices of WEA Financial Advisors, Inc. If you have any questions about the contents of this brochure, please contact us at 1-800-279-4030 (Extension 6730) or [weafa@weabenefits.com](mailto:weafa@weabenefits.com). The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority.**

**Additional information about WEA Financial Advisors, Inc. is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Registration with the SEC does not imply a certain level of skill or training.**

## **Item 2. Material Changes**

This ADV Part 2A Brochure (“Brochure”) of WEA Financial Advisors, Inc. (the “Advisor,” “we,” “us,” or “our”) has been prepared according to requirements and rules of the SEC.

Since the last annual amendment to our Brochure dated March 31, 2021, the following material changes have been incorporated in our Brochure:

- Item 4 has been updated to reflect the addition of an Ultra-Conservative model portfolio and cash balance reserve levels in Personal Investment Accounts. We also clarified eligibility language in Item 4.
- Item 5 has been updated with additional information on discretionary fee discounts.

We will ensure that clients receive a summary of material changes to this and subsequent brochures within 120 days of the close of our fiscal year. We may provide further ongoing disclosure information about material changes as necessary.

### Item 3. Table of Contents

Item 1	Cover Page .....	1
Item 2	Material Changes.....	2
Item 3	Table of Contents .....	3
Item 4	Advisory Business.....	4
Item 5	Fees and Compensation.....	8
Item 6	Performance Based Fees and Side By Side Management .....	10
Item 7	Our Clients .....	11
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss .....	12
Item 9	Disciplinary Information .....	14
Item 10	Other Financial Industry Activities and Affiliations .....	15
Item 11	Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading ....	16
Item 12	Brokerage Practices .....	17
Item 13	Review of Accounts .....	18
Item 14	Clients Referrals and Other Compensation .....	19
Item 15	Custody.....	20
Item 16	Investment Discretion.....	21
Item 17	Voting Client Securities .....	22
Item 18	Financial Information .....	23

#### **Item 4. Advisory Business**

##### **General**

The Advisor and its affiliates operate under the trade name “WEA Member Benefits.” The Advisor, founded in July 2007, is a wholly owned subsidiary of WEA Member Benefit Trust, a trust created to provide products and services to “Eligible Members” and “Eligible Family.”

The term “Eligible Member” is defined as: (i) active Wisconsin Education Association Council (“WEAC”) members, (ii) WEA Tax Sheltered Annuity (“WEA TSA”) 403(b) account holders, and (iii) employees of an “Educational Organization,” WEAC, local education associations, WEA P&C, WEA Insurance Corporation, WEA Credit Union, and Educators Credit Union. An “Educational Organization” is (X) a technical college or a public school district controlled by a publicly elected school board, which is (Y) affiliated with WEAC or not affiliated with a union identified by WEAC as a competing union.

The term “Eligible Family” of an Eligible Member is defined as: (i) spouses/domestic partners, (ii) parents/in-laws, (iii) children/children’s spouse/domestic partner, and (iv) grandchildren/grandchildren’s spouse/domestic partner if a grandchild’s parent is a participant in at least one WEA Member Benefits program.

##### **Additional Eligibility Considerations**

In addition to the eligibility criteria described above, please note the following:

- a) Any named insured or account holder (each, a “Participant”) in a WEA Member Benefits program shall remain eligible for all other non-403(b) WEA Member Benefits programs as long as they remain a Participant. Inherited beneficiaries, unless otherwise eligible, are not eligible for other programs besides their inherited account. All Participants may have those continuation rights granted by either law or contract. Receiving a one-time service, such as a financial plan through the Advisor, does not, on its own, create Participant status.
- b) Persons who are eligible and participating by reason of their status as “spouse” or “domestic partner” will have continuing rights of participation after the qualifying relationship is terminated as long as they remain a Participant.
- c) In the event of the death of an Eligible Member, their Eligible Family shall continue to remain eligible to participate in all WEA Member Benefits programs following the death of the Eligible Member.
- d) A grandchild/grandchild’s spouse/domestic partner shall lose eligibility at the age of 25, subject to continuation rights set forth above in (a).
- e) WEA Member Benefits shall retain the right to cancel policies or close accounts due to nonpayment of required fees.
- f) For the purposes of this policy, children shall include an Eligible Member’s natural offspring, stepchildren, and legal adoptees, but shall not include foster children and other legal wards.
- g) Educators Credit Union (“ECU”) members shall be eligible to participate in specially developed products and services, privately labeled and designed to be offered to ECU members. ECU members shall only be eligible to participate in such privately labeled products marketed through ECU and shall not be eligible for any other WEA Member Benefits products or services. ECU member family members shall be eligible to participate in the same private label products and services. The rules for defining an eligible family member for purposes of this section shall be identical to those used to determine Eligible Family.
- h) Any decision that limits or expands the participation of otherwise eligible persons in any program of WEA Member Benefits is deemed to be an eligibility rule and is subject to this eligibility policy.
- i) All eligibility policies of WEA Member Benefits adopted by the Board of Directors will be incorporated into this policy, reviewed by the Board annually, included in the Board’s Handbook, and available to all eligible persons upon request.

#### **Item 4. Advisory Business**

- j) The Executive Director(s) of WEA Member Benefit Trust and WEA TSA Trust will promulgate such administrative procedures as are required to assure the consistent application of this policy.
- k) Personal characteristics such as race, ethnicity, gender, sexual orientation, and religion will not be used as eligibility criteria for products or services offered by any WEA Member Benefits entity. WEA Member Benefits may use legally permissible personal characteristics, such as gender, in underwriting insurance products. Moreover, WEA Member Benefits' entities shall not create an eligibility or underwriting policy that in application results in patterns of unfair discrimination against individuals with respect to such personal characteristics.
- l) Any eligible person believing that he or she has been adversely affected by an improper application of this eligibility policy or believing that she or he has been unfairly denied an advantage granted by this policy may submit a written appeal of the involved administrative decision for consideration by the Board of Directors. The Board retains final authority to interpret and apply this policy. All decisions of the Board shall be final and binding. The Executive Director will establish administrative procedures by which the staff will inform all eligible participants of this right and assist them in the exercise thereof.
- m) If anything in this policy conflicts with the WEA TSA or WEA Member Benefit Trust Agreements, the Agreements shall control.

#### **Services Offered**

The Advisor is a fee-based investment advisory company offering the following fee-based services: Portfolio Analysis, Retirement Income Projection, and Retirement Income Analysis. The Advisor also offers Personal Investment Accounts as well as WEA Model Portfolios. The services provided by the Advisor and described in this Brochure are only available to Eligible Members and Eligible Family as outlined above, (collectively referred to as "clients").

A complimentary one-hour (or less) consultation with the Advisor is available to eligible members who would like to discuss asset allocation, retirement savings goals, and/or retirement savings options. We introduced a complimentary online financial planning portal for WEA TSA Trust 403(b) participants to supplement these consultations.

A description of the fee-based services offered by the Advisor is set forth below.

#### **Portfolio Analysis**

Through the Portfolio Analysis service, the Advisor provides clients with an evaluation of their current investment portfolio(s) and recommended adjustments, if necessary, to align the client's portfolio with their financial goals, tolerance for risk, and investment objectives. Prior to making recommendations, the client is required to complete an *Investor Suitability Profile Questionnaire*. Using information from this questionnaire, the Advisor will prepare a Morningstar® Advisor report which, in turn, assists the Advisor with an evaluation of the client's current portfolio regarding performance, fees, investment style, and investment management. The Portfolio Analysis service does not involve the Advisor making any purchases or sales of securities or other investments on behalf of the client. Rather, purchases or sales of any investment to implement the Advisor's recommendations must be completed by the client, unless the client chooses one of the other services offered by the Advisor (described below) that involve implementation of investment recommendations.

#### **Retirement Income Projection**

The Retirement Income Projection service is a retirement planning tool suitable for clients who are 11–20 years away from retirement. This service provides clients with (i) a projection of retirement expenses, (ii) a Wisconsin Retirement System ("WRS") pension benefit estimate for the annuity option beginning at the

#### Item 4. Advisory Business

retirement date provided by the client, (iii) a Social Security benefit estimate beginning at the age provided by the client, and (iv) a projection of other retirement income sources (if any) provided by the client.

##### **Retirement Income Analysis**

The Retirement Income Analysis service is a retirement planning tool suitable for clients who are within 10 years of retirement or already retired. This service provides clients with a personal meeting with the Advisor for the purpose of: (i) acquiring data concerning client's assets, liabilities, present and anticipated expenses, present and anticipated obligations, present and future retirement income and financial goals through the use of an *Investor Suitability Profile Questionnaire*; (ii) providing the client with an evaluation of the client's employer-provided retirement benefits, an evaluation and projection of retirement expenses, a WRS benefit estimate and annuity option suggestion, a Social Security benefit estimate and a recommendation at what age to begin, and an evaluation and projection of the client's other retirement income sources; (iii) providing the client with a summary and general asset allocation strategy (additional information may be required to determine suitability of a particular asset allocation strategy and the client's risk tolerance level); (iv) providing the client with an estimate of the client's financial position at retirement; and (v) making recommendations to accomplish the client's stated retirement objectives. The Retirement Income Analysis service does not involve the Advisor making any purchases or sales of securities or other investments on behalf of the client. Rather, purchases or sales of any investment to implement the Advisor's recommendations must be completed by the client, unless the client chooses one of the other services offered by the Advisor (described below) that involve implementation of investment recommendations.

##### **Personal Investment Accounts**

Personal Investment Accounts are model-based accounts managed by the Advisor and held in custody at Mid Atlantic Trust Company ("MATC"), a FINRA-registered broker-dealer and qualified custodian. In order to set up a Personal Investment Account, clients are required to enter into a Client Service Agreement with the Advisor and a Custodial Agreement with MATC.

Prior to opening a Personal Investment Account, the client must complete an *Investor Suitability Profile Questionnaire*. The Advisor uses this completed risk profile assessment to discuss with the client the various asset allocation models available under the Personal Investment Accounts program, which include: Ultra Conservative, Conservative, Moderately Conservative, Moderate, Moderately Aggressive, and Aggressive models (each, a "PIA Model Portfolio"). The client either independently or with the Advisor's assistance selects one PIA Model Portfolio per account from the various models offered by the Advisor. The client has the option to select a PIA Model Portfolio that does not match their own personal tolerance for risk on the *Investor Suitability Profile Questionnaire*; an example is an account opened to provide a legacy for heirs. PIA Model Portfolios are managed separately from the WEA Model Portfolios (discussed below). Investments in the PIA Model Portfolios consist solely of investments in pre-screened mutual funds and exchange traded funds ("ETFs") selected by the Advisor.

For all Personal Investment Accounts, a reasonable amount of cash will be reserved and maintained for administrative purposes. This cash amount will not exceed 1% of the total portfolio value. The client has the option to reduce the percentage of the account held in cash by notifying the Advisor. The cash amount is not part of the investible model and its level is reconciled at portfolio rebalance. Cash balances are included in the account balance for purposes of calculating assets under management and administrative fees. See Item 5 for information regarding fees.

The Advisor periodically reviews the mutual funds and ETFs within each PIA Model Portfolio and makes changes thereto as the Advisor deems appropriate, including rebalancing at least annually (which may have tax consequences for the client). By selecting a Personal Investment Account, the client gives the Advisor the authority to affect any such changes.

#### **Item 4. Advisory Business**

The Advisor will contact each client enrolled in the Personal Investment Accounts program at least annually to ensure that the PIA Model Portfolio selected by the client is still meeting the client's needs. The Advisor may require the client to complete a new risk profile assessment at such time.

As part of the Personal Investment Account program, clients have the option to meet in-person or by phone with the Advisor to discuss investment goals, income needs and tolerance for risk. In addition, clients have the option to meet with the Advisor to obtain assistance with account registration set-up and account application completion.

By signing the MATC Custodial Agreement, clients consent to receive documents from MATC by electronic means. Clients generally may revoke consent to receive electronic notifications by written letter of instruction addressed to MATC and delivered to the Advisor. Clients will have access to view their Personal Investment Account online, but will not have authority to place trades, make changes to their personal information or request distributions through this medium. Rather, any such actions must be done through the Advisor.

Our general policy is to refuse to accept an investment policy statement for clients enrolled in the Personal Investment Account program. We will, however, accept a client's reasonable restrictions provided we can automate the restriction on our platform. If we are not able to automate the request, we will reject the account unless the restriction is removed by the client.

#### **WEA Model Portfolios**

WEA Model Portfolios are developed by the Advisor under the oversight of the WEA Member Benefits Investment Committee (the "Investment Committee") and are available as an investment option for participants in the WEA TSA Trust 403(b) and WEA Member Benefits IRA programs. WEA Model Portfolios may be adjusted from time to time at the discretion of the Advisor and the Investment Committee. The Advisor uses Morningstar® Advisor to create the WEA Model Portfolios of pre-selected investment products that approximately complete the allocation model parameters.

Prior to investing in a WEA Model Portfolio, the client is prompted to complete an *Investor Suitability Profile Questionnaire* to independently select the model portfolio allocation deemed to be appropriate from the available portfolios: Conservative, Moderately Conservative, Moderate, Moderately Aggressive, and Aggressive. Investments in the WEA Model Portfolios consist solely of investments in pre-screened mutual funds and the Prudential Guaranteed group annuity contract.

Although the Advisor carefully evaluates the composition of the WEA Model Portfolios on a periodic basis, the Advisor makes no representation regarding the likelihood or probability that any or all of the WEA Model Portfolios will, in fact, achieve a particular investment goal or fulfill the risk tolerance profile as described for each portfolio. As a self-directed investor, clients in the WEA Model Portfolio program should carefully consider the merit and appropriateness of the available investments in light of personal financial circumstances, including other assets, income, investments, and/or cash flow needs.

The Advisor recommends that clients reassess their investment strategy at least once a year as needs, goals, portfolio, and situations may change over time. Account owners can choose a different WEA Model Portfolio at any time. Redemption fees may apply.

#### **Regulated Assets Under Management**

As of December 31, 2020, the Advisor managed approximately \$327,704,153 in assets on a discretionary basis and \$0 in assets on a non-discretionary basis.

**Item 4. Advisory Business**



## Item 5. Fees and Compensation

### Fees for Services

Except for the complimentary one-hour (or less) consultation with the Advisor that is available to clients who would like to discuss asset allocation, retirement savings goals, and/or retirement savings options, the Advisor charges fees for financial planning and investment advice. All fees are predetermined based on the service to be provided and are paid in advance (except that clients in the Personal Investment Account program will be charged quarterly in arrears). If a client cancels prior to completion of the service, all prepaid fees (if any) will be refunded, except for a \$150 hourly charge for time already spent up to the total fee paid. Fees are non-negotiable and could change in the future.

The fee for a **Portfolio Analysis** is \$700.

The fee for a **Retirement Income Projection** is \$500.

The fee for a **Retirement Income Analysis** is \$1,900.

The fee for an analysis modification is \$475 if completed within one year of the original analysis or \$950 if completed more than one year after the original analysis.

The fee for an analysis recalculation is \$950 if completed within one year of the original analysis or \$1,900 if completed more than one year after the original analysis.

WEA TSA Trust participants may be eligible for a 50% subsidy toward these fees. All WEA TSA Trust 403(b) account holders are eligible for a one-time 50% subsidy towards a Portfolio Analysis and/or a Retirement Income Projection. To qualify for a 50% subsidy towards a Retirement Income Analysis, the client must (i) have a WEA TSA Trust 403(b) account balance greater than \$35,000, or (ii) have held a WEA TSA Trust 403(b) account for more than 10 consecutive years.

Active WEAC and WEAC-R union members may be eligible for an additional discount of 10% of the base price toward the Retirement Income Analysis fee. Clients may use either the WEAC or WEAC-R discount (not both).

Hourly consultative services are available for more detailed financial planning at \$50–\$150 per hour, subject to the level of advice. Active WEAC and WEAC-R union members receive a \$50 credit per 12-month period. The \$150 per hour consultations are eligible for a 10% union discount on the first hour used every 12 months.

From time to time and at its discretion, the Firm's management may choose to discount any of its Fees for Services at any discount rate as an offer to select clients. This may be a result of certain business initiatives or efforts and will be offered for a determined amount of time to such selected individuals as the firm determines.

### Personal Investment Account Fees

Clients enrolled in the Personal Investment Account program will be charged a combined platform and advisory fee at the annual rate of 0.35% of the market value of the average daily balance of client's account during the period, as calculated by MATC, payable quarterly in arrears. Of this 0.35% annual fee, MATC platform fees are as follows: first \$500,000 at 0.15%, next \$500,000 at 0.10%, and over \$1,000,000 at 0.05%. The remainder of the 0.35% annual account fee is an advisory fee payable to the Advisor under this program. The first payment will be prorated to cover the period from the date the client's account is opened (or assets are invested in the client's account, if later) through the end of the first quarter the applicable Client Service Agreement is in effect. Clients may not prepay fees for the Personal Investment Account. By signing a Client Service Agreement, the client authorizes MATC to deduct the Advisor's advisory fees

## **Item 5. Fees and Compensation**

directly from the client's account and pay them to the Advisor. Clients will receive a billing summary report from MATC, itemized to reflect the calculation of the fee, the amount of assets under management the fee is based on, and the period covered by the fee.

In addition to the combined platform and advisory fee of 0.35%, clients that participate in the Personal Investment Account program will be solely responsible for the payment of any additional applicable platform and/or administrative fees payable to MATC as outlined in the MATC Custodial Agreement as well as any broker commissions, interest charges, taxes, and other fees and expenses incidental to the purchase and sale of investments in the client's account. Notwithstanding the foregoing, clients will not incur any broker commissions if transactions in the client's account are less than 100 trades per year. Please see Item 12 for a discussion of brokerage practices. Clients understand and acknowledge that assets in the client's account are invested in mutual funds and ETFs and, as a result, the client's account will bear its proportionate share of the investment management fees and other expenses, including any applicable sales loads, of such investments.

### **WEA Model Portfolio Program Fees**

The Advisor does not charge an advisory or other fee to WEA TSA Trust 403(b) and WEA Member Benefits IRA program participants who invest in the WEA Model Portfolios. Rather, program participants who invest in such portfolios are only responsible for their proportionate share of the investment management fees and other expenses of the underlying mutual funds and Prudential Guaranteed group annuity contracts that comprise the model portfolio.

### **No Additional Compensation**

Neither the Advisor nor its employees accept compensation for the sale of securities or other investment products. The Advisor's affiliated broker-dealer, WEA Investment Services, Inc. (the "Broker-Dealer"), acts as an introducing broker-dealer for the WEA TSA Trust retirement account.

Investment options in the WEA TSA Trust 403(b) program and/or WEA Member Benefits IRA programs (offered through the Broker-Dealer) may be recommended to clients of the Advisor. Neither the WEA TSA Trust 403(b) nor the WEA Member Benefits IRA programs charge a commission. The Advisor and the Broker-Dealer are wholly owned by the WEA Member Benefit Trust.

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

The Advisor does not charge performance-based fees and does not engage in side-by-side management arrangements.

All investment advisory representatives (including financial planners) of the Advisor are compensated via a fixed salary arrangement.

**Item 7. Types of Clients****Clients Eligible for Service**

The Advisor provides its financial planning and investment advisory services to “Eligible Members” and “Eligible Family,” as described in Item 4, above.

**Minimum Account Size**

The Advisor does not have a minimum account size that is required before the Advisor will accept a client or client account.

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

### **Portfolio Analysis**

As part of the Portfolio Analysis service, the Advisor will prepare a Morningstar® Advisor report and use information from that report, along with data collected from the client, to evaluate the client's current portfolio and to make recommendations to buy or sell specific securities or other investments. Recommended adjustments are made to align the current portfolio closer to the client's financial goals, tolerance for risk, and investment objectives. Information and financial statistics from the Morningstar® Advisor Snapshot report used for this analysis include performance, standard deviation, Alpha, Beta, fees, investment style, asset allocation, and investment management. A written summary is provided summarizing the individual accounts, the current aggregate portfolio vs. the recommended aggregate portfolio and goals accomplished by making the recommended changes. Any investment changes recommended by the Advisor are selected from an approved list of investments vetted by the Investment Committee. However, it is the client's responsibility to implement any such recommendations.

### **Retirement Income Analysis**

The Retirement Income Analysis service is a retirement planning tool suitable for Members who are within 10 years of retirement or already retired. The Advisor will perform an evaluation of the client's current aggregate portfolio, which will be limited to an asset allocation and/or general evaluation of the client's exchange-listed securities, CDs, municipal securities, variable life insurance, variable annuities, mutual funds, ETFs, and U.S. government securities. Recommendations to buy or sell specific securities or other investments outside of those held at WEA Member Benefits will not be provided as part of this evaluation. Monte Carlo simulations are run to determine the probability of success of specific goals outlined in the analysis. Cash flow analysis is emphasized in comparison to the Retirement Income Projection service, where the focus is on how to successfully achieve specific goals.

### **Personal Investment Accounts**

As part of the Personal Investment Accounts service, the Advisor offers a variety of PIA Model Portfolios from which clients may choose to invest. Once a selection is made by the client, the Advisor will manage the client's account on a discretionary basis in accordance with the model(s) selected. The Advisor uses Morningstar® Advisor to create the PIA Model Portfolios, which are comprised of mutual funds and ETFs that approximately complete the model parameters. Individual fund mixes may vary slightly due to prospectus guidelines, fund manager preference, style drift, etc.

The various models offered under the Personal Investment Accounts program are listed below. The more conservative the underlying asset weightings are, the lower the expected rate of return. Underlying portfolio holdings are subject to change under the direction of the investment committee.

**Ultra Conservative (100% Fixed)**

**Conservative (60% Fixed/40% Equities)**

**Moderately Conservative (50% Fixed/50% Equities)**

**Moderate (40% Fixed/60% Equities)**

**Moderately Aggressive (25% Fixed/75% Equities)**

**Aggressive (10% Fixed/90% Equities)**

### **WEA Model Portfolio Program**

As part of the WEA Model Portfolio program, model portfolios are developed by the Advisor under the oversight of the Investment Committee. The Advisor constructs the models using Morningstar® Advisor to create portfolios of pre-selected investment products that approximately complete the model parameters (described below). Investments in the WEA Model Portfolios consist solely of investments in mutual funds and the Prudential Guaranteed group annuity contract. Plan participants are self-directed and may choose which WEA Model Portfolio in which to invest based on the results of their Investor Suitability Profile Questionnaire.

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

A description of the various models offered under the WEA Model Portfolio program is set forth below. The more conservative the underlying asset weightings are, the lower the expected rate of return. Underlying portfolio holdings are subject to change under the direction of the Investment Committee.

**Conservative (60% Fixed/40% Equities)**

**Moderately Conservative (50% Fixed/50% Equities)**

**Moderate (40% Fixed/60% Equities)**

**Moderately Aggressive (25% Fixed/75% Equities)**

**Aggressive (10% Fixed/90% Equities)**

\* \* \*

*Investing in securities involves risk of loss that clients should be prepared to bear. Personal Investment Accounts, PIA Model Portfolios and WEA Model Portfolios are not FDIC-insured, and they are not bank-guaranteed. As such, they may lose value. Past performance is no guarantee of future results. Performance returns provided by the Advisor with respect to these programs and models illustrate the relationship between risk and reward.*

*The PIA Model Portfolios and the WEA Model Portfolios are risk-based. The more conservative the underlying asset weightings are, the lower the expected rate of return. Because of market changes, the makeup of an actual client portfolio will not exactly match the PIA Model Portfolio and WEA Model Portfolio weightings specified above.*

**Item 9. Disciplinary Information**

There have been no legal or disciplinary events involving the Advisor or any of our employees involving investments or that we believe are material to a client's evaluation of our advisory business or the integrity of our management.

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

The Advisor is affiliated with the Broker-Dealer, a broker-dealer registered with FINRA, and with WEA Property & Casualty Insurance Company, a property and casualty insurance company. These three companies are separate but related, and each are wholly owned by the WEA Member Benefit Trust. These affiliated companies operate under the trade name “WEA Member Benefits.” There are not now, nor should there be in the future, any conflicts of interest between these three entities.

Certain employees of the Advisor are registered representatives of the Broker-Dealer and registered insurance agents.



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

The Advisor has adopted a Code of Ethics that governs all employees and investment advisory representatives. The Code of Ethics is intended to assist the Advisor's personnel in carrying out their fiduciary responsibilities to clients and addresses the Advisor's policies relating to compliance with laws and regulations, conflicts of interest, confidentiality, client gifts and entertainment, personal trading and reporting, political contributions, and insider trading. A copy of our Code of Ethics is available upon request.

The Advisor recommends and deals primarily in mutual funds, ETFs, and the Prudential Guaranteed group annuity contract. If the Advisor and its affiliated entities engage in personal trading and have a material interest in any securities which are recommended to clients, this is fully disclosed to our Chief Compliance Officer. Employees of WEA Member Benefits may have individual accounts through the 403(b), IRA, and/or Personal Investment Account programs. When changes are made to the model portfolio platforms, all accounts are adjusted on the same date.

## **Item 12. Brokerage Practices**

### **In General**

The Advisor does not have the authority to select the broker or dealer used by a client or the commission rates paid by a client, except for investments in the Personal Investment Accounts, for which the Advisor has selected Mid Atlantic Trust Company to serve as custodian/broker-dealer. Clients may also have accounts held at outside brokerage or insurance firms. The Advisor does not have discretion over any outside held investments.

The Broker-Dealer (WEA Investment Services, Inc.), an affiliate of the Advisor, is a limited purpose broker-dealer offering no-load mutual fund investment options. The Broker-Dealer and its registered representatives may provide assistance in opening 403(b) and/or IRA accounts. The Broker-Dealer also provides financial education services to clients for which the Advisor may also provide its investment advisory and other services.

The Advisor may assist clients with enrollment in the WEA TSA Trust 403(b) program and, as a result, the client may become eligible for the WEA TSA Trust subsidy described in Item 5, above. In addition, the Advisor may assist or refer clients for whom the Advisor has provided recommendations to the WEA TSA Trust 403(b) and/or the WEA Member Benefits IRA program(s) for implementation of such recommendations. Neither the WEA TSA Trust 403(b) nor the WEA Member Benefits IRA programs charge a commission for implementation of any such recommendations.

### **Research and Soft Dollar Benefits**

The Advisor does not accept or use soft dollar benefits.

### **Brokerage for Client Referrals**

The Advisor does not consider client referrals in its selection of its broker.

**Item 13. Review of Accounts**

The Advisor's financial planning clients are entitled to one review at no charge within the first year following receipt of the Retirement Income Analysis. This review does not include a plan modification, new Social Security or WRS benefit calculation, or a recalculation of retirement income solutions.

If so engaged, the Advisor will prepare and deliver the Portfolio Analysis, Retirement Income Projection, or Retirement Income Analysis within six months of engagement date with the client.

Upon request, clients enrolled in the Personal Investment Account program can schedule an appointment to meet with the Advisor to review their account. In addition, the Advisor will contact clients enrolled in these programs at least annually to confirm that the client's investment objectives and the investment strategies selected are still meeting the client's needs.

The Investment Committee meets quarterly to evaluate the underlying investments, some of which make up the WEA Model Portfolios. The Advisor will make changes to investments recommended to clients, including investments that comprise the various model portfolios offered by the Advisor, upon notification from the Investment Committee. Additionally, the Advisor produces quarterly Morningstar® Advisor Snapshot reports for each model portfolio and completes an analysis to verify that the asset allocations fall within acceptable ranges for variance. All accounts invested in model portfolios are automatically rebalanced July 1 or the next open trading day after if the markets are closed. PIA Model Portfolios are reviewed quarterly.

Individual Investment Advisor Representatives who are responsible for client reviews and reporting are listed in Form ADV Part 2B.

**Item 14. Clients Referrals and Other Compensations**

The Advisor does not pay referral fees or any other benefits for referring clients to the Advisor.

**Item 15. Custody**

The Advisor does not act as custodian of client assets and utilizes qualified custodians, such as Mid Atlantic Trust Company (MATC) for Personal Investment Accounts and Newport Trust Company for the WEA Member Benefits 403(b) or IRA accounts. The custodians have possession of the assets of the account, settle transactions for the account, and accept instructions from the Advisor regarding the assets in the account. All clients receive account statements directly from the custodian at least quarterly, which clients should carefully review.

**Item 16. Investment Discretion**

In general, the Advisor does not have the authority to determine the securities to be bought or sold by a client, the amount of securities to be bought or sold by a client, the broker or dealer selected by a client, or the commission rates paid by a client, except in the case of Personal Investment Accounts and the WEA Model Portfolios as described below, under which the Advisor exercises investment discretion over client accounts.

With respect to the Personal Investment Account program, the Advisor creates the PIA Model Portfolios and makes them available to clients. As part of this service, the Advisor reviews and rebalances the PIA Model Portfolios periodically, but not less than annually. Clients choose which PIA Model Portfolio(s) in which to invest and by participating in this program, clients agree to have their accounts custodied with MATC. The Advisor is not required to obtain the client's consent prior to engaging in any such rebalancing activities.

For the WEA Model Portfolio program, the Advisor rebalances the portfolios offered through the program at least annually and the Advisor is not required to obtain the client's consent prior to engaging in any such rebalancing activities.

**Item 17. Voting Client Securities**

The Advisor will not exercise proxy voting authority over investments held in client accounts. Most proxies are delivered directly to clients from the applicable custodians, including MATC. Because the Advisor does not vote client proxies, the Advisor does not have a proxy voting policy and will not respond to questions from clients about any particular proxy solicitation.

In addition, the Advisor will not act for clients in any legal proceedings, including class actions, involving investments held or previously held in a client's account.

In the event a proxy statement or document relating to a class action or other legal proceeding is delivered to the Advisor, the Advisor will make reasonable efforts to forward it to the applicable client(s) on a timely basis.

**Item 18. Financial Information****Prepayment of Fees**

Fees for the Personal Investment Account are payable quarterly in arrears. Fees for other services for which a fee is charged (as described in Item 5, above) are determined based on the service to be provided and are paid in advance. If a client cancels prior to completion of the service, all prepaid fees will be refunded except for a \$150 hourly charge for time already spent up to the total fee paid.

Advisor does not collect fees greater than \$1,200 per client six months or more in advance.

**Financial Condition**

The Advisor does not have any financial condition that would be likely to impair its ability to meet its commitments to its clients and has not been the subject of a bankruptcy petition at any time since its inception.