

Westminster Financial Advisory Corporation

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www.westminsterfinancial.com

March 28, 2023

This brochure, ADV Part II, provides information about the qualifications and business practices of Westminster Financial Advisory Corporation. If you have any questions about the contents of this Brochure, please contact us at 937-898-5010 or email us at info@westminsterfinancial.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.

Westminster Financial Advisory Corporation is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser. Additional information about Westminster Financial Advisory Corporation is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

On July 28, 2010, the United States Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated March 28, 2023, is prepared according to the SEC’s new requirements and rules.

This item will discuss only specific material changes that are made to the Brochure and provide a summary of such change. Our Brochure was last updated October 28, 2022. In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes, as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information at any time. Currently, our Brochure may be requested by contacting Westminster Financial Advisory Corporation at 937-898-5010 or info@westminsterfinancial.com.

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Item 4 – Advisory Business

Westminster Financial Advisory Corporation provides investment supervisory services, general investment advice, and advice to clients involving securities. Over 95% of advisory billings are related to the investment supervisory business. We engage prospective clients in a pre-advisory consultation to gain better insight into their individual circumstances, needs, risk tolerance, time frame, and objectives. From this discussion, we determine the appropriateness of an investment advisory relationship.

If an investment advisory relationship is recommended, we build a portfolio recommendation in the context of the comprehensive client circumstance. The advisory fee may include general financial advice: retirement planning, insurance reviews, 401(k) recommendations, education funding.

Westminster Financial Advisory Corporation is a C Corporation owned and managed by Westminster Financial Companies.

Lawrence M. Brazie	Managing Member
Born 1958	
Practice:	Over 30 Years Professional Experience
Education:	B.S. University Dayton
Licenses:	Series 7, Series 24, Series 27, Series 63, Series 53, and Series 65 Accident & Health Life, & Variable Annuity
Business:	04/1987 to Present, Chief Executive Officer Westminster Financial Advisory Corporation

As discussed in Westminster Financial Advisory Corporation's Form ADV Part 1, Westminster Financial Advisory Corporation manages over \$748,447,740 in client assets through our advisor service on a discretionary basis. These totals are calculated using the closing US market prices from December 31, 2022.

Item 5 – Fees and Compensation

Fees are calculated as a percentage of assets under management. Accounts are charged in advance or arrears for a three-month period based on the account balances. Accounts are debited for the appropriate fee. If you have multiple accounts, you may request the company bill all management fees to one account. For initial periods, the beginning balance and date range is described by the management contract. When an account is first placed under management, billing begins on the later of, first day the account is funded or the first day the account is approved by the company. In addition to our standard fees, you may incur other charges from other parties for clearing, custody, independent investment management, advisory services or other services that may be provided on an hourly basis. If outside consultants are required for additional analysis and advice, the resulting cost will increase the amounts disclosed in the below fee schedule and will be payable directly to those outside consultants. Mutual fund managers, money fund managers, and annuity issuers charge certain fees for their services and products. Those fees are in addition to the management fees paid to the Adviser and are separate

and distinct from the management fees charged by the Adviser. These fees and expenses are described in the prospectuses for each mutual fund, money fund, annuity, or underlying annuity fund. These fees include front-end or back-end loads (initial or deferred sales charges), management fees, other fund expenses and distribution fees ("12b-1 fees"). The type of mutual fund share class used in client portfolios will determine if there is an initial or deferred sales charge which a client will pay, as well as the existence and amount of other fund or product expenses to be paid by the client. These charges, fees and expenses will impact the cost to the client of purchasing, holding and/or selling the mutual fund or annuity product. Many mutual fund share classes pay 12b-1 fees or trailing commissions to our affiliated Broker/Dealer, Westminster Financial Securities, Inc., which increases the cost to the client of holding the mutual fund. This fee is generally .25% annually but varies from fund to fund. In many instances, a portion of these trailing commissions are then paid to the investment adviser representative who is also a registered representative of the Broker/Dealer. Many money funds pay a share of their revenue to our affiliated Broker/Dealer, Westminster Financial Securities, Inc., which reduces the interest rate paid to the client for holding the money market fund. This fee varies from fund to fund. In some instances, a portion of the revenue share is then paid to the investment adviser representative who is also a registered representative of the Broker/Dealer. Such payments create an incentive for the investment advisor representative to recommend, purchase and hold a higher-cost share class, which creates a conflict of interest. In certain instances, lower-cost mutual fund share classes are available. Accordingly, the client should review both the fees charged by the funds and the applicable program fee charged by the Adviser to fully understand the total amount of fees to be paid by the client and to thereby evaluate the Advisory services being provided.

The advisory fee is determined based on the fair market value of the client's account on the last day of each closing calendar quarter multiplied by one-fourth of the corresponding annual percentage rate pursuant to the terms of the investment advisory agreement. The annual percentage rate is negotiable based on several factors, including, but not limited to the services offered to the client, the complexity of the services to be provided, the total amount of assets involved in the household*, and the relationship with the advisor. The annual advisory fee will not exceed 2.5% of the managed account value, and the negotiated rate is identified in the investment advisory agreement.

*Westminster Financial Advisory Corporation defines a household as any number of people sharing a residence, *or* members of the same nuclear family regardless of residence.

A client may terminate an agreement within five business days after signing, without penalty. After the five-day period expires, a client may terminate a contract by written notice and any fees earned are nonrefundable.

Assets deposited by a client into their management account between billing cycles will not result in additional management fees being billed to the client. For assets withdrawn by a client, Westminster Financial Advisory Corporation does not make partial refunds of their management fees. Just as with deposits, withdrawals may require modifications and adjustments to be made in the account to correct the client's allocation of assets.

Your advisor may have a financial incentive agreement in place to receive additional compensation based on a combination of assets transferred to Westminster Financial Advisory Corp. and revenue generated, which presents a conflict of interest. Your advisor may be incentivized to transfer accounts to Westminster or generate higher revenue, which may not be in the client's best interest. If a financial incentive agreement exists, the specific details can be found in Form ADV Part 2B Client Brochure Supplement.

Item 6 – Performance Based Fees and Side by Side Management

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

Item 7 – Types of Clients

Westminster Financial Advisory Corporation has registered financial advisors focused on assisting individuals and their families, trusts, estates, fiduciaries, charitable organizations, small businesses, and retirement plans (hereinafter referred to as the "client") manage their wealth and comprehensive financial plans. Our central duty is to provide investment counsel and guidance which stresses fiscal responsibility and disciplined asset allocation strategies to meet client needs, goals, and risk tolerance.

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

Methods of Analysis

Westminster Financial Advisory Corporation asset allocation process utilizes multiple asset classes. We analyze individual investments based on their potential contribution to the asset class in an attempt to meet or exceed the risk adjusted benchmark for each asset class. As an example, mutual fund management is selected based on consistent performance that exceeds the asset class index or selected benchmark, within a desired risk level. We also employ cyclical analysis based on economic, interest rate, and market cycles.

Sources of Information

Westminster Financial Advisory Corporation relies on numerous financial websites and publications as well as independent research sources for information. Other sources may include, but are not limited to, company press releases, newspapers, magazines, books, rating services and other professional subscription services. On occasion, we will use material prepared by investment companies and research releases prepared by other research entities.

Investment Strategies

Westminster Financial Advisory Corporation implements strategies using long-term purchases (securities held at least one year) and, on occasion, short-term purchases (securities sold within a year). We employ strategic asset allocation strategies driven by client objectives within risk parameters. Tactical allocation strategies are often overlaid to enhance performance or reduce risk, based on cyclical factors such as

interest rates, economic stage, or market trends. We do not believe that trading, market timing, or speculative options are in our clients' best interests.

Risk of Loss

Risks involved in investing in securities include but are not limited to:

- **Call Risk** The possibility that falling interest rates will cause a bond or preferred stock issuer to redeem – or Call – its issue before the maturity date.
- **Country Risk** The possibility that political events (a war, national elections), financial problems (rising inflation, government default), or natural disasters (an earthquake, a poor harvest) will weaken a country's economy and cause investments in that country to decline.
- **Credit Risk** The possibility that a bond issuer will fail to repay interest and principal in a timely manner. Also called default risk.
- **Currency Risk** The possibility that returns could be reduced when investing in foreign securities because of a rise in the value of the currency against foreign currencies. Also called exchange rate risk.
- **Income Risk** The possibility that a fixed income fund's dividend will decline as a result of falling interest rates.
- **Industry Risk** The possibility that a group of securities in a single industry will decline in price due to developments in that industry.
- **Inflation Risk** The possibility that increases in the cost of living will reduce or eliminate a fund's real inflation adjusted returns.
- **Interest Rate Risk** The possibility that a bond fund will decline in value because of an increase in interest rates.
- **Manager Risk** The possibility that a mutual fund's investment adviser will fail to execute the fund's investment strategy effectively, resulting in the failure of stated objectives.
- **Market Risk** The possibility that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, there can be periods of rising and falling prices for various reasons.
- **Principal Risk** The possibility that an investment will go down in value, or "lose money", from the initial amount invested.

Generally speaking, risk and potential return are related. While an investment with higher risk may have the potential for higher return, it may also have a greater potential for losses, increased volatility, or negative returns, particularly in response to above normal challenges related to economic or political pressures or other events.

Westminster Financial Advisory Corporation works with each client to develop an investment strategy that suits their financial goals and tolerance for risk.

We primarily utilize a buy-and-hold strategy with adjustments in asset allocations based on current conditions or anticipated developments. We may sell investments when fundamentals turn negative, the investment's relative performance is poor or the economic climate for a sector has changed. We also may buy or sell investments when the portfolio needs to be rebalanced to adhere to the client's asset allocation and cash requirements.

We may also use option strategies to enhance or hedge positions in our portfolios. We use covered calls and naked and cash covered puts to incorporate these strategies.

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 our business practices or the integrity of Westminster Financial Advisory Corporation.

Westminster Financial Advisory Corporation has no information applicable to this item.

Item 10 – Other Financial Industry Activities and Affiliations

Westminster Financial Advisory Corporation utilizes Westminster Financial Securities, Inc. as a broker/dealer registered with FINRA. Westminster Financial Companies, Inc. and its subsidiaries, Westminster Financial Securities, Inc., Westminster Financial Advisory Corporation and Westminster Financial Agencies, Inc., are headquartered in Dayton, Ohio.

Westminster Financial Agencies, Inc. is an insurance agency licensed to sell life insurance, health insurance and annuities. It works with insurance brokers and direct providers to find appropriate insurance solutions for clients.

Investment Advisor Representatives of Westminster Financial Advisory Corporation may also be a Registered Representatives of Westminster Financial Securities, Inc. Investment Advisor Representatives can be paid commission on sales of insurance products and transactions executed through the broker/dealer creating a conflict of interest; clients are not required to purchase these products.

Westminster Financial Companies, Inc. has five shareholders who are also clients of Westminster Financial Advisory Corporation. A conflict of interest is created as a result of clients investing in Westminster Financial Companies, Inc. This conflict could result in an incentive to favor these clients.

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

As a fiduciary, Westminster Financial Advisory Corporation has a duty to act with utmost integrity in serving each of our clients, in pursuit of their financial goals. Westminster Financial Advisory Corporation's policy manual contains a Code of Ethics which is available for inspection. Westminster Financial Advisory Corporation's governing principles are outlined below.

Integrity

We shall offer and provide professional services with integrity.

Objectivity

We will be objective in providing professional services to clients.

Competence

We shall provide services competently and maintain the necessary knowledge and skill to continue to do so in those areas in which the designee is engaged.

Fairness

All professional services shall be performed in a manner that is fair and reasonable to clients, partners, employees, and employers; and disclose conflicts of interests in providing such services.

Confidentiality

We shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, to defend against legal or regulatory charges of wrongdoing, or in connection with a civil suit between the supervised person and client.

Professionalism

Conduct in all matters shall reflect positively on the business entity and the profession.

Diligence

We shall act diligently in providing professional services. Diligence is the providing of services in a reasonable, prompt, and thorough manner, including the proper planning for and supervision of the rendering of professional services.

It is against Westminster Financial Advisory Corporation's policies for managers or employees to invest with a client or with a group of clients. It is also against our policies to advise a client or a group of clients to invest in a private business interest or any other non-marketable investments. Westminster Financial Advisory Corporation's managers and employees are permitted to personally invest their own monies in stocks, bonds, investment company products and other publicly traded securities which may also be in line with recommendations made to clients. Such investment purchases are independent of, and are not connected in any way to, the investment decisions made on behalf of Westminster Financial Advisory Corporation's portfolio model. Personal trading activities conducted by managers and employees are monitored to ensure that such activities do not create conflicts of interest.

Item 12 – Brokerage Practices

Westminster Financial Advisory Corporation has access to a comprehensive universe of investment vehicles in the marketplace. We will construct a portfolio based on the client's goals and risk tolerance, and monitor the portfolio using market measurement and analytical techniques. We will allocate investment assets among the following:

- Exchange-listed securities
- Exchange Traded Funds (ETFs)
- Over the counter traded securities
- Mutual fund shares
- Corporate debt securities (bonds)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Fixed annuities
- United States government securities
- Option contracts on securities
- Exchange Traded Limited Partnership Securities
- Real Estate Investment Trusts

Individual allocation strategies may use some or all of the above asset classes.

Westminster Financial Advisory has a fiduciary and fundamental duty to seek best execution for client transactions. Best execution is not necessarily the lowest commission but the best overall qualitative execution in the particular circumstances. Westminster Financial Advisory has established a Brokerage Committee to monitor and review the trading practices, gather relevant information, review, and evaluate the services provided by the broker-dealer, the quality of executions, commission rates, and overall brokerage relationships, among other things. Annually the Brokerage Committee will meet to formally review the above stated information, to ensure the client receives the best execution. A file will be maintained for the information obtained and used as part of the best execution procedure.

Custodians and Brokers We Use

Westminster Financial Advisory Corporation does not maintain custody of your assets. Your assets must be maintained in an account with a “qualified custodian” generally a broker dealer or bank. Westminster Financial Advisory Corporation may recommend that clients establish brokerage accounts with Fidelity Clearing and Custody Solutions as custodian for client assets and to effect trades for their account. Fidelity Clearing and Custody Solutions provides a comprehensive clearing and custody platform, brokerage services, trading capabilities, and practice managements and consulting to registered investment advisors (RIAs), including strategic acquirers and professional asset managers, as well as retirement recordkeepers, broker-dealer firms, banks, and insurance companies through National Financial Services LLC (NFS) or Fidelity Brokerage Services LLC, Members NYSE, SIPC. In addition to providing services to third –party institutions, the NFS brokerage platform supports all the clearing and custody businesses at Fidelity, including Fidelity’s retail and capital markets businesses, bringing NFS assets under administration to \$3.1 trillion.

Client accounts held at Fidelity are accessed and transactions are executed through our broker dealer Westminster Financial Securities, Inc. located in Dayton, Ohio. Accounts are generally not charged a separate fee for custody. Fidelity and Westminster Financial Advisory Corporation are compensated in some cases by charging you a service fee or other charge on transactions in your accounts. Fidelity's services include research, brokerage, custody, and access to mutual funds and other investments that are otherwise available only to institutional investors or would require a significantly higher minimum initial investment.

As part of the agreement between Westminster and National Financial Services LLC, Westminster received an initial payment from NFS and is entitled to seven additional payments (made annually), provided that Westminster's assets under management remain custodied at NFS. Additionally, in the event the business arrangement between Westminster and NFS terminates, Westminster would be required to make a penalty payment in the form of a termination fee to NFS. These financial arrangements create a conflict of interest as Westminster is incentivized to hold client accounts at NFS.

Additionally, the agreement between Westminster and National Financial Services LLC provides compensation for NTF (No Transaction Fee) mutual funds held on the NFS platform. This creates a conflict of interest because Westminster is compensated to hold NTF funds which may not be in the best interest of the client.

Item 13 – Review of Accounts or Financial Plans

All accounts are reviewed in the context of the client's stated investment objectives, risk tolerance and client-specific guidelines, if applicable. Accounts are reviewed at least quarterly, but can be triggered by unexpected position performance, market conditions, or changing client circumstances. Household assets are monitored by a portfolio management system that provides current and comprehensive information concerning account performance, asset allocation, and position performance.

Item 14 – Client Referrals and Other Compensation

Westminster Financial Advisory Corporation does not receive cash or other economic benefit including commissions, equipment, and non-research services from a non-client in connection with providing investment management. We also do not compensate people or firms for providing referrals.

Item 15 – Custody

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct the custodian to deduct our advisory fees from your account. Fidelity maintains actual custody of your accounts. You will receive account statements directly from the custodians at least quarterly. They will be sent to the email or postal mailing address you provided to the custodian. Westminster Financial Advisory Corporation urges you to carefully review such statements and compare such official custodial records to the account statements that we provide to you. Our statements may vary slightly from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

Westminster Financial Advisory Corporation uses discretionary trading authority in managing their accounts. The nature of the fee-based (rather than commission-based) pricing model assures that preservation and/or growth of the account is a shared interest. On occasion, time-sensitive opportunities arise to purchase a security in volume and spread among the discretionary accounts. Prudent risk management precludes a discretionary trade that would overly weight the position as a percentage of household assets.

Item 17 – Voting Client Securities

Westminster Financial Advisory Corporation does not have any authority to and does not vote proxies on behalf of advisory clients. You will receive proxy information directly from the custodian or transfer agent.

Item 18 – Financial Information

Registered investment advisers are required to provide upon request, certain financial information, or disclosures regarding Westminster Financial Advisory Corporation's financial condition. Westminster Financial Advisory Corporation has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has never been the subject of a bankruptcy proceeding. However, on May 6, 2020, the firm received a Paycheck Protection Plan Loan through the SBA in the amount of \$626,500 in conjunction with the relief afforded from the CARES Act. The firm used the PPP loan proceeds in accordance with the terms of the loan program and the firm did not suffer any interruption of service.

Item 19 – Trading Practices

Westminster may, for a number of reasons, bunch, block, or aggregate brokerage orders for clients rather than execute individual transactions for each account. These reasons include: (1) avoiding the time and expense of simultaneously entering similar orders for many client accounts that are managed similarly; (2) ensuring that all accounts managed in a particular style obtain the same execution to minimize differences in performance; and (3) obtaining a better execution price even though the commission rate may be higher than the lowest rate otherwise available. Westminster may also determine it in the best interest of a client or clients not to participate in a particular bunched order based on any one or more of the following:

- Account-specific investment restrictions, i.e., no defense or tobacco stocks.
- Undesirable position size. In certain cases, the amount allocated to an account on a pro-rata basis may create an undesirably small or large position.
- Need to restore appropriate balance to client portfolio, if it has become over or under weighted due to market action.
- Client sensitivity to turnover. Such clients may be excluded from participation in positions that are not expected to be long-term holdings.

- Client tax status.
- Regulatory restrictions.
- Common sense adjustments that lead to cost savings or other transactional efficiencies.
- Investments may not be suitable for, or consistent with, known client investment objectives and goals.
- Client may have obtained security at a different cost basis (for sales) or at a different time and has not achieved the objective for that security.

Where Westminster does not bunch orders, clients may incur higher transaction costs for individual transactions.

Westminster will not aggregate transactions unless it believes that aggregation is consistent with its duty to seek best execution (which includes the duty to seek best price) for its clients and is consistent with the terms of Westminster's investment advisory agreement with each client for which trades are being aggregated.

No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all Westminster's transactions in that security on a given business day, with certain transaction costs shared pro rata based on each client's participation in the transaction. Commission costs will continue to be charged based upon individual commission schedules agreed to by participating clients at the time their account was established rather than a special commission rate for bunched orders. As such, commission costs per share will vary among participating clients depending on the number of shares purchased/sold and the specific commission schedule in place for each client. As a result, not all clients participating in the bunched order will receive the same net proceeds on a sale or transaction cost on a purchase.

When an aggregated order is only partially filled (and there is no reasonable expectation that the entire transaction will be completed within a reasonable period), the order will, generally, be allocated among the participating clients on an objective basis. When the portion of a partially filled order that may be allocated to a participating account is such that after the allocation, the account's holdings of the security would fall below the account's target weighting, the account will not be allocated any portion of the order. In the event that allocation of a partially filled order would cause holdings for all participating accounts to fall below target weighting, the entire order may be allocated to a single account.

On occasion trades will be executed in error. Once notified of the error, Westminster will immediately make the correction in the client's account. Any gain or loss resulting from the error will be retained by Westminster Financial Securities, Inc.

Westminster's policy and practice are to NOT engage in any agency cross or principal transactions.