

**Item 1 – Cover Page**

## FORM ADV PART 2A | FIRM BROCHURE

DECEMBER 4, 2023

This brochure provides information about the qualifications and business practices of Weinand Financial, Inc. If you have any questions about the contents of this brochure, please contact us by telephone at 360-459-4847. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Weinand Financial, Inc. is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for our firm is 328590.

Please note that the use of the term “registered investment advisor” and description of our firm and/or our associates as “registered” in this brochure does not imply a certain level of skill or training. Clients are encouraged to review this brochure and any brochure supplements (“brochure supplements”) for more information on the qualifications of our firm and our associates.

## Item 2 – Material Changes

This is the initial version of our brochure. Accordingly, we have no material changes to report.

We will update this brochure and summarize in this Item 2 the occurrence of any material changes with respect to our advisory business in accordance with applicable law. All current clients will receive a Summary of Material Changes to this and subsequent brochures within 120 days of the close of our fiscal year and certain additional other-than-annual updates regarding changes with respect to our firm and our business practices promptly following their occurrence. Updated information concerning these changes will be provided to you free of charge. A Summary of Material Changes is also included within our brochure found on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can obtain additional information about our firm by searching for us on the foregoing website by our firm name or by our unique IARD/CRD number (328590).

A copy of this brochure will be provided to you free of charge by contacting us at the telephone number reflected on the cover page.

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#### Item 4 – Advisory Business

- A** About Our Firm. Weinand Financial, Inc. is a Washington corporation founded in 2006 by its principal, Michael G. Weinand, MBA, CFP®. Mr. Weinand has been engaged in the financial advisory business since 1991. The firm became independently registered as an investment advisor with the SEC November 2023 and our principal offices are in Lacey, Washington.

We provide tailored investment advice and embrace our role as a fiduciary to our clients. Our objective is to provide you with customized financial planning services and objective wealth management advice designed to meet your financial goals. We achieve this by obtaining a deep understanding of your unique financial circumstances and concerns, your tolerance for investment risk, and the time horizon for your investments. We also provide wealth management advice to retirement plans and their participants.

The information contained in this brochure describes our investment advisory services, practices, and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to the needs of our clients. As used throughout this brochure, the words “WFI,” “we,” “our,” “firm,” and “us” refer to Weinand Financial, Inc., and the words “you,” “your,” and “client” refer to you as either a client or prospective client of our firm.

Prior to forming an investment advisor-client relationship, we may offer you a complimentary general consultation to discuss the nature of our services and to determine how we can best assist you in achieving your financial goals and objectives. Investment advisory services begin only upon your execution of a written advisory agreement with WFI.

- B C** Our Services. We offer a variety of investment advisory services to clients. Our investment advice is always tailored according to each client’s unique financial circumstances, objectives, and needs. A description of our various investment advisory services is as follows:

##### Financial Planning and Consulting Services

WFI prides itself on providing highly tailored financial planning and consulting advice to clients. Our financial planning and consulting advice may cover, without limitation, some, or all of the following financial topics, depending on your unique financial circumstances, needs, and concerns:

- *Budgeting and Cash Management:* Assisting you in understanding your cash inflows and outflows and setting and maintaining a sustainable budget.
- *Risk Management and Insurance Planning:* Evaluating your areas of financial and other risk and designing and recommending insurance coverage to protect your family, home, assets, and cash flow from the effects of unexpected events.
- *Financial Planning Relating to Specific Life/Business Events:* Providing you with specialized advice unique to events such as retirement, inheritance, business transactions, real estate transactions, divorce, and other specific events, both planned and unplanned.
- *Estate Planning:* Advance planning for your incapacitation and/or death, including end-of-life care/disability planning, handling of your end-of-life financial affairs, and the management and distribution of your assets upon death in a tax and cost-efficient manner.

- *Tax Planning:* Analyzing your tax circumstances and current tax regulations and designing tax-efficient investment strategies intended to reduce tax liabilities for you in the short- and long-term.
- *Retirement Planning:* Assisting you in the design and implementation of a long-term income and asset management plan intended to grow and protect your income and assets such that you can maintain the standard of living you desire throughout your retirement.
- *Investment Planning/Investment Goal Setting:* Designing an overall plan for the investment and management of your assets, including investment accounts (taxable and non-taxable), personal property, real property, and business interests in a manner designed to achieve your short- and long-term goals and objectives. Assisting you in determining appropriate investment goals and objectives.
- *Education Planning and Funding:* Analyzing and designing a plan to fund your and your family's educational needs.

These services are available either as part of an ongoing comprehensive financial planning and consulting relationship or on a one-time project basis.

For ongoing financial planning and consulting engagements, we will consult with you at the inception of our relationship and on an as-necessary basis thereafter to obtain an understanding of your unique financial circumstances, goals, and key areas of financial concern. We will analyze the information and documents you provide and deliver an initial written financial plan, report, or summary of our observations and recommendations designed to address your unique financial situation, needs, and objectives. We will meet with you in person, by phone/tele-video conference or by other agreed upon method quarterly, monthly, or annually thereafter (as agreed) to review your financial plan, report, or summary, track progress towards your goals, and update our financial planning recommendations as necessary. We will also remain reasonably available to consult with you throughout our relationship on an as-needed basis and to provide you with advice regarding the topics addressed within your written financial plan and any other common financial concerns which may arise from time-to-time. These engagements are typically for a period of one year in duration and will automatically renew for additional one year periods until terminated by you or WFI.

For one-time financial planning engagements, you may select to receive broad-based financial planning services or advice regarding discrete financial topics or transactions. We will consult with you at the inception of our relationship to obtain an understanding of your unique financial circumstances, goals, and key topics or transactions of financial concern. We will analyze the information and documents you provide and deliver an initial written financial plan, report, or summary of our observations and recommendations designed to address your unique situation, needs, and objectives. For the most limited consulting engagements, our advice may be conveyed to you solely via in-person consultation, by telephone/tele-video conference, and/or through e-mail correspondence. Any specific deliverables related to the engagement will be described in a written financial planning agreement you will enter with WFI prior to our rendering of any services. These services are typically completed within six (6) months of inception, assuming prompt delivery of requested documents and information by the client. Once our final recommendations, written plan, or report is delivered to you (whether in writing or otherwise), the engagement is concluded and no further update or review of our recommendations is provided, unless we otherwise agree in writing. Additional fees will apply for subsequent reviews or updates of our financial planning and consulting recommendations.

Our financial planning and consulting advice is non-discretionary in nature – you are never obligated to implement any of our recommendations, and you will make all final investment decisions. You will be responsible for the selection of service providers and the implementation and monitoring of your investments.

While you are never obligated to utilize WFI for any further services, upon request, we may assist you with the implementation of our recommendations - additional fees may apply. Where you choose to engage us for wealth management services following the conclusion of a financial planning and consulting engagement, we maintain the discretion to offset all or a portion of our financial planning and consulting fees against the fees to be charged for our ongoing wealth management services.

We may refer you to certain third-party professionals and service providers (e.g., attorneys, tax professionals, real estate agents, etc.) as part of our rendering of financial planning and consulting services. We do not receive any compensation in connection with such referrals and clients are never obligated to engage any third-party referred by WFI. You may elect to engage any referred third-party professional(s) at your own discretion and risk and for additional fees to be negotiated independently between you and the selected third-party service provider. WFI does not provide legal or tax advice of any kind.

#### Wealth Management Services

We offer wealth management services that combine ongoing and continuous portfolio management with financial planning and consulting services that are designed to assist our clients in the management of their overall financial affairs.

We will manage your designated investment accounts in accordance with our understanding of your unique financial circumstances, investment objectives, needs, and limitations. You will be required to deposit your assets to an account (or accounts) held in your name at an independent qualified custodian and execute a limited power of attorney granting our firm trading authority over your account. In most instances, you will be required to grant us *discretionary authority* to implement transactions within your account(s) without obtaining your prior approval for each specific transaction. We will only exercise this *discretionary authority* in accordance with our understanding of your financial objectives, needs, and limitations. In addition to selecting the specific securities to be bought and sold for your account, your grant of discretionary authority allows us to select, engage, and disengage third-party money managers and/or sub-advisors (each, an “Independent Manager”) to assist us in the management of your assets. In limited circumstances, we may agree to manage your account on a *non-discretionary* basis, requiring that we obtain your consent prior to implementing transactions within your account(s), except for instances where we seek to rebalance your account to an asset allocation you have previously approved or to convert your existing mutual fund holdings to a lower-cost share class (when possible and in your best interests to do so). You may impose reasonable restrictions on our management of your account(s) at any time, including instructing us not to invest your account in specific securities, industry sectors, and/or asset classes.

We will consult with you at the inception of our relationship and periodically thereafter, as necessary, to gather information regarding your financial circumstances, investment objectives and limitations, tolerance for investment risk, time horizon for investments, tax situation, current and expected income level and cash flow needs, and other considerations. Based on our analysis of these factors, we will recommend and implement a portfolio of investments that we believe aligns with your unique investment objectives and needs.

Client portfolios are typically constructed utilizing a diversified combination of mutual funds, exchange traded funds (“ETFs”), individual bonds, stocks and other listed securities, via the implementation of certain proprietary

model portfolios (“Model Portfolios”) designed by our firm and/or third-party money managers, including without limitation, those designed independently by American Funds. The Model Portfolios and investment strategies we utilize have generally been designed for investors with varying degrees of risk tolerance ranging from a more conservative investment strategy to a more aggressive approach. Factors that we take into consideration when determining whether any particular Model Portfolio or investment strategy is appropriate for your account include, without limitation, your cash flow needs and your other sources of income (generated outside of your investment portfolio), the Model Portfolio or investment strategy’s investment goal, underlying holdings, and your financial needs, investment goals, risk tolerance, and investment objectives.

For some clients, we may engage and allocate a portion of the investment portfolio to Independent Managers to obtain exposure to certain asset classes, investment styles/models, or strategies. When this occurs, the selected Independent Manager(s) will direct a portion of your portfolio in an investment strategy or model selected by our firm. We will monitor the Independent Manager’s management of your account on an ongoing basis to ensure their investment performance is in line with our expectations and the Independent Manager’s adherence to the investment strategy we have chosen for your account. We will also ensure that the chosen strategy remains suitable for your investment needs and objectives and adjust the strategy and Independent Managers selected for your account as appropriate.

Client accounts, including assets allocated to Independent Managers, are monitored on an ongoing basis. We will implement or recommend changes to your portfolio as needed or appropriate, in consideration of current economic conditions, our market opinions and assumptions, and any material changes in your individual financial circumstances, goals, and needs.

Wealth management clients also receive financial planning and consulting services as part of our comprehensive approach to wealth management. We will prepare a written financial plan for you and meet with you periodically, but no less than annually, to track progress towards your financial goals and to review and update your written financial plan as necessary throughout the duration of our relationship. A full description of our financial planning services can be found above. Through a combination of in-person consultations, phone conferences, and/or electronic communications (e.g., e-mail), we will further provide you with ongoing support and guidance with respect to routine financial matters and questions regarding topics such as budgeting and cash flow concerns, retirement and education planning, credit and debt management issues, and insurance coverage.

At your request, we may also provide recommendations for the allocation of your assets contained outside of the account(s) designated for our direct management (e.g., employer sponsored retirement accounts, qualified tuition plans, variable annuity sub-accounts). For these “held-away” accounts, we are limited to advising you as to the allocation of your holdings among the various investment options made available by the product sponsor, issuer, or custodian. Unless we otherwise agree in writing, the value of your held-away accounts is not included in our calculation of advisory fees.

You will make all final investment decisions with respect to our financial planning and consulting advice and will be responsible for implementation and monitoring of all held-away investments.

#### Retirement Plan Consulting Services

We offer retirement plan consulting services to employee benefit plans (each a “Plan”) and their fiduciaries based upon the needs of the Plan and the services requested by the plan sponsor or named fiduciary. These services do not include legal, tax, accounting, or actuarial advice of any kind and are non-discretionary in nature. It is the Plan’s



responsibility to ensure that its investment policy statement (“IPS”) and asset allocation choices comply with any legal, actuarial, or other requirements that apply to the Plan and that the Plan meets tax qualification requirements. The Plan sponsor or responsible fiduciary makes all final investment decisions and is responsible for implementation of our advice if it is accepted.

Our retirement plan consulting services are customized to suit the client, and may include some or all of the following, at the client’s election: non-discretionary investment advice to the Plan and/or its participants; Investment Policy Statement (“IPS”) development assistance; plan menu design; review of qualified default investment alternatives; review of designated investment alternatives, recommendation and monitoring of investment options; evaluation of company stock (as an investment option); plan investment objective review; investment monitoring and reporting; plan design analysis; evaluation of service providers and preparation of requests for service; contract negotiation support; ongoing plan operation support; benchmarking studies and reviews; service provider monitoring; service provider transition/plan conversion support; participant education and communication strategy; employee education meetings; group and individual enrollment meetings; participant phone and e-mail support; delivery of plan communications; review of plan progress against education strategy goals; fiduciary education services to plan committee; attendance and support for plan committee meetings; review of plan committee governance and structure; review of Employee Retirement Income Securities Act of 1974 (“ERISA”) compliance; review of bonding and insurance coverage; and development and maintenance of the Plan fiduciary file.

Certain plans/clients that we may provide services to are regulated under ERISA. We will provide retirement plan consulting services to the plan sponsor and/or fiduciaries as described above for the fees set forth in Item 5 of this brochure. In providing services to any Plan and its underlying participants, our status is that of an investment advisor registered with the SEC. We are not subject to any disqualifications under Section 411 of ERISA. In performing fiduciary services for the client, if any, we are acting as a “fiduciary” of the plan as defined in Section 3(21) under ERISA. In all cases, our status under ERISA is clearly disclosed in a written advisory agreement. If there is any discrepancy between the disclosures in this paragraph and the agreement, the agreement shall govern.

#### Educational Seminars

WFI also offers educational seminars for clients seeking general investment guidance and education regarding various financial topics. The specific topics covered in our educational seminars varies, but may include asset allocation, investment planning, retirement planning, estate planning, asset protection/insurance, and general explanations of certain types of investments or investment strategies. Seminars attendees typically receive classroom-based instruction and seminar related educational materials including text books and worksheets covering the course materials. Our seminars are entirely educational in nature, and WFI does not provide any individualized investment advice to attendees. Seminar attendees maintain the discretion at the conclusion of our seminars to receive a free initial consultation with a WFI associated financial professionals.

**D** Wrap Fee Program. We do not currently sponsor, serve as a portfolio manager to, or recommend to clients, any wrap fee programs.

Types of Investments Recommended. The types of investments we typically recommend to clients are described above in this Item 4. We do not recommend any particular type of investment over any other and may recommend other types of investments not listed above based on the client’s unique financial circumstances, objectives, needs, and limitations. We may also advise you regarding legacy investments held in your account at the inception of our relationship.



Types of Strategies Recommended. The investment strategies we typically implement within client accounts are described in Item 8 of this brochure.

- E** Assets Under Management. We are a newly registered investment advisor. Accordingly, we have no assets under management to report as of the date indicated on the cover page of this brochure.

## Item 5 – Fees and Compensation

- A** Our Fees. A description of the advisory fees we charge for our services is set forth in this Item 5. Unless otherwise indicated below, our fees are not negotiable. However, there may be instances where individual clients may pay fees that are higher or lower or otherwise materially different than those described in this brochure based on our decision to honor legacy fee arrangements or other factors. All fee arrangements are detailed in a written advisory agreement entered with the client prior to the commencement of our services.

### Fees for Financial Planning and Consulting Services

For financial planning and consulting engagements, we typically charge fixed fees ranging from \$2,500 - \$7,500. On occasion, we may offer discrete financial consulting services or project-based services for hourly fees of up to \$500 per hour. For ongoing financial planning and consulting relationships, the annual fixed fee is subject to annual adjustment, subject to the client's right to terminate the relationship. The specific fixed fee or hourly fee rate will be determined based upon the scope of your financial planning and consulting needs, the amount and complexity of your financial resources, and our expectation of the time and effort necessary to provide services and will be set forth in a written advisory agreement you will be required to enter with WFI at the inception of our relationship. The full balance of fees due WFI is typically payable upon our completion of the engagement, although we reserve the right to request that the client pay all or a portion of these fees at the inception of the relationship or monthly or quarterly in arrears as work is completed. Fees for these services are payable by check or other form of payment deemed acceptable by WFI upon our delivery of a written invoice to you. Clients are never charged more than \$1,200 six (6) or more months in advance for these services.

### Fees for Wealth Management Services

We charge annual asset-based fees calculated as a percentage of the average daily balance of your account, including the value of any cash balances, in accordance with the following fee schedule.

ASSETS UNDER MANAGEMENT	ANNUAL FEE
On the first \$500,000	0.675%
On the next \$500,000	0.65%
On the next \$1,000,000	0.55%
On the next \$2,000,000	0.475%
On the next \$2,000,000	0.40%
Amounts in excess of \$6,000,000	Negotiable

These fees are payable to us quarterly or monthly, in arrears, and will be applied to your account on a blended basis. *For illustration purposes only*, an account with an end of period market value or an average daily balance value of \$600,000 will pay fees at a rate of 0.675% for the first \$500,000, and 0.65% on the balance of the account. Advisory fees charged by Independent Managers are included within the fees payable to WFI under the above fee schedule.

We will calculate our fees utilizing the average daily balance of your account as of the close of the prior billing period. Fees shall be pro-rated for any partial billing periods based on the number of days services were provided. Please note that some or all of the investments in your account may be intended as long-term investments and withdrawals of cash and premature liquidations of securities positions may impair the achievement of your investment objectives.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in paying a reduced advisory fee.

Unless otherwise agreed, fees for these services will be deducted directly from your account held at the qualified custodian. Our direct fee deduction policies are described below in this Item 5.

Our asset-based fees are typically calculated based on the average daily balance of your account (including cash balances) as reported by the custodian of your assets. The custodian may use various pricing services such as Reuters and Standard & Poor's to price securities held in your account. For actively traded securities, these services use the actual last reported sale price. For less actively traded securities such as bonds, these services will use the appropriate valuation methodology to determine the value of the security. In rare instances where a market-based price for a holding in your account is unavailable or difficult to determine, alternative good faith valuation procedures may be followed. We will alert you whenever this circumstance may arise. You should contact us with any questions or concerns about the valuation of any investments held in your account.

Financial planning and consulting services for wealth management clients are included within the above-described fees. However, there may be rare occasions where we determine that a wealth management client's financial planning and consulting needs go beyond the scope of the financial planning and consulting services we ordinarily provide as part of this suite of services. In these circumstances, we reserve the right to charge additional fees for these services. If this should occur, we will notify you in advance and obtain your written consent to any additional fees.

#### *Fees for Retirement Plan Consulting Services*

Advisory fees for retirement plan consulting services typically consist of either fixed annual fees or annual fees calculated as a percentage of the value of the client's assets under management (typically ranging from 0.20% to 1.00% per year). These fees are typically payable monthly or quarterly in arrears from Plan assets and due thirty (30) days from the date of our delivery of an invoice (end of the quarter) to the client.

#### *Fees for Educational Seminars*

Advisory fees for educational seminars typically take the form of a fixed registration fee ranging from \$50 – \$125, depending on the nature and scope of the course and course materials to be distributed. The registration fee is collected in advance of the seminar and is non-refundable.

**B** **Direct Fee Deduction.** WFI will directly deduct its advisory fees for wealth management services directly from your designated accounts at the qualified custodian or transfer agent upon your written authorization for the same. Your authorization for direct fee deduction will be set forth in our written advisory agreement and/or on the forms

required by the custodian of your account (or transfer agent of your directly held mutual funds). We will first look to cash balances in your account to pay our fees. If a sufficient cash balance is not available, we will liquidate money market shares before considering liquidating any other investments to raise the cash necessary to pay our advisory fees when due. The unexpected or premature liquidation of investments to pay our fees may impair the performance of your account.

Your custodian or transfer agent will independently send you an account statement at least quarterly identifying the amount of funds and each security in your account at the end of the period and setting forth all transactions in your account during the period, including the amount of any fees paid to us. Your custodian/transfer agent is not responsible for verifying the accuracy of our fee calculations. Therefore, *we encourage you to review the Custodian's/Transfer Agent's account statements carefully upon receipt*. If you believe our fees have been miscalculated or if you have any other questions related to your account, you should contact us immediately at the phone number listed on the cover page of this brochure.

**C** Additional Fees and Expenses. Separate and in addition to our advisory fees, you will also pay (i) your proportionate share of all management fees and other fund level costs, fees, and expenses associated with any mutual funds, ETFs, and other pooled investment vehicles held in your account (e.g., expense ratios, redemption fees, deferred sales charges, and administrative fees) and (ii) all usual and customary transaction-based fees (brokerage fees and commissions), custodial charges, wire transfer fees, and other fees and taxes associated with activity and holdings in your account in accordance with the terms of the account opening documentation of your custodian/transfer agent. We do not share in any portion of the foregoing additional fees and expenses. To fully understand the total costs you will incur when engaging our services, you should review the disclosure brochure or prospectus of each mutual fund, ETF, and/or other pooled investment vehicle held in your account and the contractual arrangement entered with your custodian/transfer agent.

**D** Termination of Our Services. In the event we should fail to provide you with a copy of this brochure at least forty-eight (48) hours in advance of entering into an advisory agreement with our firm, you may terminate our services without cost or penalty within five (5) business days of entering into the advisory agreement.

Thereafter, either party may terminate the advisory relationship by providing ten (10) days' advance written notice of termination to the non-terminating party. For asset-based fee engagements for wealth management services, you will pay us pro-rated fee based on the number of days services were provided during the final billing period. For fixed fee financial planning engagements, you will pay us a pro-rated fee based on WFI's binding good faith estimate of the value of the services provided through the date of termination. Any earned but unpaid fees are due immediately upon our presentation of our final invoice to you and any unearned fees paid in advance will be promptly refunded to you. For hourly fee financial planning engagements, you will pay us for all hours of service provided prior to termination and all earned but unpaid fees are due immediately upon our presentation of a final invoice to you. Upon termination of our services, you will bear the costs of any custodial termination and/or transfer fees assessed by the custodian(s) of your assets and become solely responsible for the management and supervision of your account(s). WFI will deliver any partially completed written financial plan or report to the client upon receipt of full and final payment of its outstanding charges due at termination, if any.

**E** Compensation for Sales of Securities and Insurance Products. We do not receive any compensation in connection with the sale of securities (e.g., commissions) to clients.

Certain associated persons of WFI are independently licensed to sell insurance in one or more states and may act in their individual capacity as direct agent representatives of a specific insurance company or companies. Insurance-

related business may be transacted with advisory clients and licensed individuals may receive commissions and fees as a result of the sale of insurance products or services to clients. The fees paid to WFI and/or its associated persons for investment advisory services are separate and distinct from any commissions and fees earned by our associated persons for selling insurance products or services to clients. Therefore, the receipt of insurance-related commissions or fees by any of our associated persons presents a conflict of interest, insofar as such persons have a financial incentive to recommend insurance products to clients. As fiduciaries, we must act primarily for the benefit of our investment advisory clients. We will only transact insurance-related business with you when fully disclosed, suitable, and appropriate to do so. Clients are under no obligation to use any of our associated persons for the purchase of any insurance products or services. We encourage you to ask us about the conflicts of interest presented by the insurance licensing of our associated persons.

**Rollover Recommendations.** As part of our investment advisory services to you, we may recommend that you roll assets from your employer's retirement plan, such as a 401(k), 457, or ERISA 403(b) account (collectively, a "Plan Account"), to an individual retirement account, such as a SIMPLE IRA, SEP IRA, Traditional IRA, or Roth IRA (collectively, and "IRA Account") that we will manage on your behalf. We may also recommend rollovers from IRA Accounts to Plan Accounts, from Plan Accounts to Plan Accounts, and from IRA Accounts to IRA Accounts. When we provide any of the foregoing rollover recommendations we are acting as fiduciaries within the meaning of Title I of the ERISA and/or the Internal Revenue Code ("IRC"), as applicable, which are laws governing retirement accounts.

If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset-based fee as set forth in the advisory agreement you executed with our firm. This creates a conflict of interest because it creates a financial incentive for our firm to recommend the rollover to you (*i.e.*, receipt of additional fee-based compensation). You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm. Due to the foregoing conflict of interest, when we make rollover recommendations, we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

Under this special rule's provisions, we must:

- meet a professional standard of care when making investment recommendations (give prudent advice);
- never put our financial interests ahead of yours when making recommendations (give loyal advice);
- avoid misleading statements about conflicts of interest, fees, and investments;
- follow policies and procedures designed to ensure that we give advice that is in your best interest;
- charge no more than a reasonable fee for our services; and
- give you basic information about conflicts of interest.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of a rollover.

Note that an employee will typically have four options in this situation:

1. leaving the funds in your employer's (former employer's) plan;
2. moving the funds to a new employer's retirement plan;
3. cashing out and taking a taxable distribution from the plan; or

4. rolling the funds into an IRA rollover account.

Each of these options has positives and negatives. Because of that, along with the importance of understanding the differences between these types of accounts, we will provide you with a written explanation of the basis for our belief that any rollover transaction we recommend to you is in your best interests.

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

We do not charge any performance-based fees for our services or engage in side-by-side management of client accounts.

#### **Item 7 – Types of Clients**

We typically provide investment advice to individuals, high net worth individuals, employer sponsored retirement plans and their participants, trusts, charitable organizations, partnerships, corporations and other business entities. Because each client is unique, they must be willing to be involved in the planning and ongoing processes of our management of their account. Such involvement does not have to be time consuming, however we want our clients to remain informed and have a sense of security about their investments. We typically require a minimum account balance of \$500,000 to commence and maintain a wealth management services relationship with our firm. We may waive these minimums in our sole discretion for individual clients.

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

- A** Methods of Analysis and Investment Strategies. The types of investments we typically recommend are discussed in Item 4 of this brochure. The Firm maintains investment portfolios that are constructed primarily of mutual funds and ETFs.

We may use some or all of the following methods of analysis in providing investment advice to you:

Fundamental Analysis: In using fundamental analysis, we attempt to determine the intrinsic value of target securities through a review of, among other things, company specific financial disclosures, the strength and track record of management personnel, industry sector financial health, and at a macro level, the overall direction of the economy at large. We use this information as a basis to determine if such securities are underpriced or overpriced relative to current market prices and then to make a buy or sell recommendation to you. Relying on this type of analysis leaves open the risk that the price of a security may move along with the overall direction of the market, irrespective of the economic and financial factors which may have indicated that an opposite movement would have been expected.

Technical Analysis: We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movements. Technical analysis does not consider the underlying financial condition of a company or security. This presents a risk insofar as a poorly managed or financially unsound company may underperform regardless of overall market movement.

We typically use the following investment strategies in managing client accounts:

Asset Allocation: Asset allocation is an investment strategy that attempts to balance risk versus return by adjusting the percentage of each asset in an investment portfolio according to the investor's risk tolerance, goals, and investment time frame. Asset allocation is based on the principle that different assets perform differently in different

market and economic conditions. A fundamental justification for asset allocation is the notion that different asset classes offer returns that are not perfectly correlated, hence diversification reduces the overall risk in terms of the variability of returns for a given level of expected return. Although risk is reduced as long as correlations are not perfect, it is typically forecasted (wholly or in part) based on statistical relationships (like correlation and variance) that existed over some past period. Expectations for return are often derived in the same way. The primary goal of an asset allocation strategy is to create an asset mix that seeks to provide the optimal balance between expected risk and return for a long-term investment horizon.

A risk of asset allocation is that you may not participate in sharp increases in a particular security, industry, or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate to meet your investment goals.

*Mutual Fund and ETF Selection and Analysis:* We evaluate and select mutual funds and ETFs for your account based on several factors which may include, without limitation, (1) the experience and track record of the underlying portfolio manager(s), (2) the performance of the fund over time and through various market conditions; (3) expected market conditions that might impact the underlying holdings of the fund or applicable market sector; and (4) whether and to what extent the underlying holdings of the fund overlap with other assets held in your account. We also monitor the funds we select in an attempt to determine if the fund is continuing to follow its stated investment strategy.

A risk of this form of analysis is that, as in all securities investments, past performance does not guarantee future results. A fund manager's past track record of success cannot be relied upon as a predictor of success in the future. In addition, the underlying holdings of the fund are determined by independent fund managers and may change overtime without advance warning, creating the potential for overlap with other investments held in your account. This increase in the correlation of your holdings will increase the risk of loss where the value of any overlapping holdings should decrease. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund, which could make the holding(s) less suitable for the client's portfolio.

*Independent Manager Selection and Analysis:* This is the analysis of the experience, investment philosophies, and past performance of Independent Managers in an attempt to determine if the manager has demonstrated an ability to invest over a period of time and in different economic conditions and whether the manager's investment style and strategy is a good fit a client's needs. Key factors we may consider when evaluating Independent Managers are their investment process and philosophy, risk management methods and procedures, historical performance, investment strategy and style, fees and operating expenses, assets under management and number or clients, and tax-efficiencies. Our evaluation also may incorporate both qualitative and quantitative fundamental analysis to validate and confirm an Independent Manager's investment style and skill, as well as to compare them to other managers of similar style. We may utilize various research databases, proprietary models, financial periodicals, prospectuses and filings with the SEC, industry contacts and manager data, among other items, as part of the research process. Monitoring the Independent Manager's underlying holdings, strategies, concentrations, and leverage as part of our overall periodic risk assessment typically completes the analysis. As part of the due-diligence process, the Independent Manager's compliance and business enterprise risks may be surveyed and reviewed. We may engage and rely upon a third party to assist in this review and due diligence process.

*Long-term Purchases:* We may recommend a long term "buy and hold" approach to investing client assets. In this type of investment strategy, we suggest the purchase of securities with the idea of holding them in a portfolio for a year or longer. Typically, we employ this strategy when (1) we believe the securities to be currently undervalued,



and/or (2) we want the portfolio to have exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the recommendation to sell.

The methods of analysis and investment strategies utilized by Independent Managers we may recommend to clients are disclosed in their respective disclosure brochures. We encourage you to contact us with any questions concerning the investment strategies utilized by the Independent Managers we recommend to clients.

**B** Summary of Investment Risks. The firm uses its best judgement and good faith efforts in rendering services to clients. The firm cannot warrant or guarantee any level of account performance, or that an account will be profitable over time. Not every investment recommendation made by the firm will be profitable. Investing in securities involves risk of loss that clients should be prepared to bear. Clients assume all risk involved in the investment of account assets. Clients are again reminded that investments are subject to various market, currency, economic, political, and business risks.

**C** Investment Risks Related to Recommended Investments. While all investing involves risks and losses can and will occur, we generally recommend a broad and diversified allocation of securities and other investments intended to reduce the specific risks associated with a concentrated or undiversified portfolio. Nonetheless, you should consider the following high-level summary of specific investment risks. This list is not intended to be an exhaustive description of all risks you may encounter in engaging our firm for advisory services. We encourage you to inquire with us frequently about the risks related to any investments in your account.

Risk of Loss: Securities investments are not guaranteed, and you may lose money on your investments. As with any investment manager that invests in common stocks and other equity securities, our investment recommendations are subject to market risk—the possibility that securities prices will decline over short or extended periods of time. As a result, the value of your account(s) will fluctuate with the market, and you could lose money over short or long periods of time. You should recognize whenever you determine to invest in the securities markets your entire investment is at risk. Clients should not invest money if they are unable to bear the risk of total loss of their investments.

Economic Risk: The prevailing economic environment is important to the health of all businesses. Some companies, however, are more sensitive to changes in the domestic or global economy than others. These types of companies are often referred to as cyclical businesses. Countries in which a large portion of businesses are in cyclical industries are thus also very economically sensitive and carry a higher amount of economic risk. If an investment is issued by a party located in a country that experiences wide swings from an economic standpoint or in situations where certain elements of an investment instrument are hinged on dealings in such countries, the investment instrument will generally be subject to a higher level of economic risk.

Financial Risk: Financial risk is represented by internal disruptions within an investment or the issuer of an investment that can lead to unfavorable performance of the investment. Examples of financial risk can be found in cases like Enron or many of the “dot com” companies that were caught up in a period of extraordinary market valuations that were not based on solid financial footings of the companies.



*Market Risk:* The value of your portfolio may decrease if the value of an individual company or multiple companies in the portfolio decreases or if our belief about a company's intrinsic worth is incorrect. Further, regardless of how well individual companies perform, the value of your portfolio could also decrease if there are deteriorating economic or market conditions. It is important to understand that the value of your investment may fall, sometimes sharply, in response to changes in the market, and you could lose money. Investment risks include price risk as may be observed by a drop in a security's price due to company specific events (e.g., earnings disappointment or downgrade in the rating of a bond) or general market risk (e.g., such as a "bear" market when stock values fall in general). For fixed-income securities, a period of rising interest rates could erode the value of a bond since bond values generally fall as bond yields go up. Past performance is not a guarantee of future returns.

*Interest Rate Risk:* Certain investments involve the payment of a fixed or variable rate of interest to the investment holder. Once an investor has acquired or has acquired the rights to an investment that pays a particular rate (fixed or variable) of interest, changes in overall interest rates in the market will affect the value of the interest-paying investment(s) they hold. In general, changes in prevailing interest rates in the market will have an inverse relationship to the value of existing, interest paying investments. In other words, as interest rates move up, the value of an instrument paying a particular rate (fixed or variable) of interest will go down. The reverse is generally true as well.

*Independent Manager Risk:* An Independent Manager's past track record of success cannot be relied upon as a predictor of success in the future. In addition, where an Independent Manager is engaged, the underlying holdings of your account are determined by the Independent Manager directly and may change overtime without advance warning to us, creating the potential for overlap with other investments held in your account. This increase in the correlation of your holdings will increase the risk of loss where the value of any overlapping holdings should decrease. There is also a risk that an Independent Manager may deviate from the stated investment mandate or strategy of the account, which could make the holding(s) less suitable for your portfolio. Our firm does not control any Independent Manager's daily business and compliance operations, and thus our firm may be unaware of any lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

*Risks Related to Analysis Methods:* Our analysis of securities relies in part on the assumption that the issuers whose securities we recommend for purchase and sale, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

*Securities Transactions at the Direction of Clients:* All assets are held at the custodian in your name. You will typically maintain the concurrent ability to direct transactions within your account. We are not responsible for the consequences of your self-directed investment transactions or the costs and fees they generate within your account.

*Interim Changes in Client Risk Tolerance and Financial Outlook:* The particular investments recommended by our firm are based solely upon the investment objectives and financial circumstances disclosed to us by the client. While we strive to meet with clients at regular intervals (at least annually, unless otherwise agreed, either in person, telephonically, or by electronic means) to discuss any changes in the client's financial circumstances, the lack of constant and continuous communication presents a risk insofar as your liquidity, net worth, risk tolerance and/or investment goals could change abruptly, with no advance notice to our firm, resulting in a mis-aligned investment portfolio and the potential for losses or other negative financial consequences.

It is your continuing and exclusive responsibility to give us complete information and to notify us of any changes in your financial circumstances, income level, investment goals or employment status. We encourage you to contact us regularly and promptly to discuss your investment and any changes to your financial circumstances

### Item 9 – Disciplinary Information

WFI is required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of our firm or the integrity of our management. We have no information to disclose with respect to this Item 9.

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

- A**     Broker-Dealer Registration. WFI and its associated persons are not registered and do not intend to become registered as a broker-dealer or as associated persons of any broker-dealer.
- B**     Futures or Commodities Registration. WFI and its associated persons are not registered and do not intend to become registered as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of any of the foregoing.
- C**     Material Relationships. Except as outlined in Item 5E with respect to the licensure of certain of our associated persons as independent insurance agents, WFI does not have any relationships, industry activities, affiliations or arrangements and does not collect any additional compensation, directly or indirectly, that create a material conflict of interest with its clients.
- D**     Recommendation of Third-Parties. Except for certain benefits we receive from the custodians and broker-dealers we recommend to clients as outlined in Item 12 of this brochure, we do not receive any additional compensation or benefits, either directly or indirectly, in connection with referrals of our clients to any Independent Managers, broker-dealers, custodians, attorneys, tax advisors, accountants, or any other third-parties. We will only recommend and refer third-party providers to you when we believe such recommendations to be in your best interests. We do not act as a solicitor for any third-parties.

Except with respect to our requirement that wealth management clients engage certain custodians for trade execution and custodial services as outlined in Item 12 of this brochure, you are never obligated to engage any third-party we recommend to you and do so at your sole discretion and risk.

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

- A**     Our Code of Ethics. We subscribe to an ethical and high standard of conduct in all our business activities in order to fulfill the fiduciary duty we owe to our clients. Included in these ethical obligations is the duty to put our clients' interests ahead of our own along with duties of loyalty, fairness, and good faith towards our clients. We disclose to clients material conflicts of interest which could reasonably be expected to impair our rendering of unbiased and objective investment advice.

WFI maintains a written Code of Ethics ("Code") which all employees are required to follow. The Code outlines proper conduct related to all services provided to clients and will be made available to you, free of charge, upon request by contacting us at the telephone number listed on the cover page of this brochure. Prompt reporting of internal violations by our associated persons is mandatory. Our management personnel evaluate employee performance regularly to ensure the quality of our services and compliance with our Code.

The goal of WFI's Code is to prevent and detect conflicts of interest between our advisory clients, our firm, and our associated persons. As part of achieving this objective, our "access persons" are required, among other things, to report to the firm their personal securities transactions on a quarterly basis and to report all of the securities positions in which they have a beneficial interest at least annually. These reporting requirements allow supervisors at our firm to determine whether to allow or prohibit certain employee securities purchases and sales based on transactions made, or anticipated to be made, in the same securities bought and sold for client accounts. Our Code is required to be reviewed annually and updated as necessary.

**B-D** Material/Proprietary Interests in Securities Recommended to Clients. Our firm and our associated persons do not have any proprietary or material interests in or any role in the management of any companies or investments that we recommend to our clients.

Personal Trading; Participation or Interest in Client Transactions. WFI and/or its associated persons may manage their own investment accounts or accounts that belong to their family or their affiliates (collectively, "Proprietary Accounts") while simultaneously managing client accounts. Proprietary Accounts may buy and sell the same securities as we buy or sell (or recommend for purchase or sale) to client accounts. This practice creates an actual conflict of interest with our clients insofar as our firm and/or our associated persons may have a financial incentive to trade in securities for Proprietary Accounts in advance of or opposite to transactions in the same securities for client accounts. To address this conflict, our policy is that, assuming the purchase or sale is otherwise appropriate for the subject client accounts, we will purchase or sell securities for our clients' accounts, as the case may be, before purchasing or selling any of the same securities for any Proprietary Accounts. In some cases, we and our associated persons may buy or sell securities for Proprietary Accounts for reasons not related to the strategies deployed on behalf of our clients.

In summary, our practice of buying and selling for Proprietary Accounts the same securities that we buy or sell for client accounts is restricted by the following controls:

- we are always required to uphold our fiduciary duty to our clients;
- we are prohibited from misusing information about our clients' securities holdings or transactions to gain any undue advantage for ourselves or others;
- we are prohibited from buying or selling any security that we are currently recommending for client accounts unless we place our orders after client orders have been executed; and
- We are required to periodically report our securities holdings and transactions to the firm's Chief Compliance Officer, who must review those reports for improper trades.

We act in a fiduciary capacity. If a conflict of interest arises between us and you, we shall make every effort to disclose such conflict to you and resolve the conflict in your favor. Conflicts of interest may also arise in the allocation of investment opportunities among the accounts that we advise. We will seek to allocate investment opportunities according to what we believe is appropriate for each account. We strive to do what is equitable and in the best interests of all the accounts we advise.

We will disclose to advisory clients any material conflict of interest relating to us, our representatives, or any of our employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

## Item 12 – Brokerage Practices

**A** Recommendation of Broker-Dealers. As a condition of engaging WFI for wealth management services, we typically require that you independently engage the brokerage and custodial services of Charles Schwab & Co., Inc., 3000 Schwab Way, Westlake, Texas 76262 (“Schwab”), an independent SEC-registered broker-dealer and Member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). We are not affiliated with Schwab and Schwab does not monitor or control the activities of WFI or its personnel. We may require clients to engage different custodians and executing brokers in the future. Schwab will act solely as a custodian and/or broker-dealer to your account, and not as your investment advisor. They will hold your assets in a brokerage account or accounts and buy and sell securities and execute other transactions when instructed to do so by you or WFI. We do not have the discretion to determine the commission rates at which transactions are to be affected for your account. These rates are determined based upon the contractual agreement you will independently enter with Schwab.

Where a client holds open ended mutual funds sponsored by American Funds, American Funds Service Company® (“AFS”) will typically serve as transfer agent and will maintain records of the client’s ownership of such assets. In this scenario, AFS will independently provide you with online account access and quarterly account statements reflecting your holdings in American Funds sponsored mutual funds.

Best Execution. In recommending broker-dealers, we have an obligation to seek the “best execution” of transactions for client accounts. This duty requires us to seek to execute securities transactions for clients such that the total costs or proceeds in each transaction are the most favorable under the circumstances. The determinative factor in the analysis of best execution is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of the recommended broker-dealer’s services. Some of the factors we may consider when evaluating a broker-dealer for best execution include, without limitation, the broker-dealer’s execution and custodial capabilities, commission rates, financial responsibility, responsiveness and customer service, research services/ancillary brokerage services provided, and other factors that we consider relevant.

Therefore, we will seek competitive commission rates, but we may not obtain the lowest possible commission rates for specific account transactions. With this in consideration, we will continue to require that wealth management clients engage Schwab until their brokerage and custodial services do not result, in our opinion, in best execution of client transactions.

Directed Brokerage. Except for retirement plan consulting clients, WFI does not permit its clients to select a broker other than Schwab for trade execution services (*i.e.*, directed brokerage). Clients should be aware of the fact that not all investment advisors require clients to use a particular firm for these services. You should further be aware that, because WFI requires certain clients to engage Schwab exclusively, we may not be able to achieve the lowest cost of execution of specific client transactions. Thus, the exclusive use of only Schwab may cost clients more money compared to other arrangements.

Soft Dollars. Schwab and other broker-dealers may provide us with certain brokerage and research products and services that qualify as “brokerage or research services” under Section 28(e) of the Securities Exchange Act of 1934 (“Exchange Act”). This is commonly referred to as a “soft dollar” arrangement. These research products and/or services will assist us in our investment decision making process. Such research generally will be used to service all of our client accounts, but brokerage charges paid by the client may be used to pay for research that is not used in managing that specific client’s account. Your account may pay to Schwab a charge greater than another qualified

broker-dealer might charge to affect the same transaction where we determine in good faith that the charge is reasonable in relation to the value of the brokerage and research services received.

*Benefits Received from Schwab.* Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like WFI. They provide us and our clients with access to institutional brokerage – trading, custody, reporting, and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available to WFI various support services. Some of those services help us manage or administer our clients' accounts; while others help us manage and grow our business. Schwab's support services generally are available on an unsolicited basis (we don't have to request them) and at no charge to us as long as our clients collectively maintain a minimum value of assets with Schwab. Below is a more detailed description of Schwab's support services.

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

*Services That May Not Directly Benefit Clients.* Schwab also makes available to WFI other products and services that benefit us but may not directly benefit our clients. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third-parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that provides access to client account data (such as duplicate trade confirmations and account statements); facilitates trade execution; provides pricing and other market data; facilitates payment of our advisory fees from our clients' accounts; and assists us with back-office functions, recordkeeping, and client reporting.

*Services That Generally Benefit Only Us.* Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include access to educational conferences and events; consulting on technology, compliance, legal, and business needs; access to publications and conferences on practice management and business succession; and access to employee benefits providers, human capital consultants, and insurance providers.

Schwab may provide some of the above services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may discount or waive its fees for some or all of these services. The research and brokerage services provided to WFI by Schwab qualify for the safe harbor exemption defined in Section 28(e) of the Exchange Act.

The aforementioned research and brokerage services are generally used by WFI to manage accounts for which WFI has trading authority at Schwab. Without these arrangements, WFI might be compelled to purchase the same or similar services at its own expense. As part of our fiduciary duty to clients, WFI endeavors at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by our firm and/or our associated persons creates a conflict of interest and indirectly influences our recommendation of Schwab to clients. WFI examined this potential conflict of interest in choosing to recommend Schwab and has determined that the recommendation of Schwab is in the best interests of our clients and satisfies our fiduciary obligations, including our duty to seek best execution.



Except as described above in this Item 12, we do not receive any compensation or incentive for recommending that you engage any custodian or broker-dealer for trade execution or custodial services. Schwab does not make client brokerage commissions generated by client transactions available for our firm's use. WFI does not receive client referrals in exchange for directing client transactions to any custodian or broker-dealer.

- B** Trade Aggregation. Due to the customized nature of our investment advice, we do not aggregate purchases and sales and other transactions amongst client accounts. Our practice of not combining multiple clients' buy and sell orders (*i.e.*, block trading) may result in our firm being unable to achieve for its clients the most favorable execution at the best price available, and accordingly, may cost clients more money than other arrangements.

### Item 13 – Review of Accounts

- A** Account Review Policy. Wealth management accounts and retirement plan consulting accounts are generally reviewed by the investment advisor representative(s) who are primarily responsible for managing the client's assets. The specific individuals conducting account reviews may vary from time-to-time, as personnel join or leave our firm. The frequency of reviews is determined based on each client's investment objectives and needs. Accounts are generally reviewed quarterly, but in any event, no less than annually.

Written financial plans provided to ongoing financial planning and consulting clients and wealth management clients are reviewed and updated at least annually, and otherwise as necessary based on the client's investment objectives and needs. Ongoing financial and consulting clients and wealth management clients also receive ongoing ad-hoc support and advice regarding common financial questions and concerns that may arise during the advisory relationship.

Stand-alone financial planning and consulting clients do not receive updates or account reviews following delivery of our investment recommendations, financial plans, or reports, unless the client specifically requests such review and pays an additional advisory fee.

- B** More Frequent Account Reviews. More frequent reviews of ongoing financial planning, wealth management, and retirement plan consulting client accounts may be triggered by a change in the client's investment objectives; income level; risk/return profile; tax considerations; significant account contributions and/or withdrawals; large sale or purchase transactions; security specific events; or changes in the economy more generally.
- C** Reporting to Clients. Clients will receive standard account statements and trade confirmations from their custodian or transfer agent at least quarterly. We will separately provide you with independently prepared written reports as you may reasonably request from time-to-time. The reports we provide to you will contain relevant account and/or market-related information such as an inventory of account holdings and account performance, as examples.

### Item 14 – Client Referrals and Other Compensation

- A** Certain Additional Compensation. As discussed in Item 5E, certain associated persons of WFI are independently licensed as insurance agents and may receive additional compensation as a result of the sale of insurance products and services to clients. Disclosure of the conflicts of interest created by these arrangements and how we mitigate those conflicts is reflected in Item 5E.

As referenced in Item 12 above, Schwab provides services and products to us without cost or at a discount that we may use to service some or all of our client accounts. We may enter into similar arrangements with other broker-

dealers and custodians in the future. As part of its fiduciary duties to clients, WFI endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by our firm and/or our associated persons in and of itself creates a potential conflict of interest and may indirectly influence our choice to require that clients engage Schwab for brokerage and custodial services.

- B** Except as indicated above in this Item 14, WFI does not collect any compensation for the referral or solicitation of its clients to any third-parties. We do not compensate any third-parties for client referrals.

### **Item 15 – Custody**

All client funds and securities on which we advise are held in accounts titled in the client's name maintained by an independent qualified custodian or transfer agent (typically, Schwab or AFS). For wealth management clients, the custodian will be authorized to execute trades within the client's account upon our instructions, acting within the scope of the authority granted to us in our written advisory agreement with the client and the custodian's account opening documentation.

Safekeeping Procedures Related to Custody. Where we directly debit our advisory fees from your account held at the custodian or transfer agent, the custodian or transfer agent will independently send you an account statement at least quarterly identifying the amount of funds and each security in your account at the end of the period and setting forth all transactions in your account during the period, including the amount of any fees paid to us. Your custodian/transfer agent is not responsible for verifying the accuracy of our fee calculations. *Therefore, we encourage you to review the Custodian's/Transfer Agent's account statements carefully upon receipt.* If you believe our fees have been miscalculated or if you have any other questions related to your account, you should contact us immediately at the phone number listed on the cover page of this brochure.

As a matter of administrative convenience and at the firm's discretion, advisory clients may be offered to option to execute standing letters of authorization ("SLOAs") which authorize WFI to disburse client funds to a specific third-party payees designated in writing by the client. In these circumstances, our protocol to assure the proper handling of client funds is to require that:

1. The client provides a written, signed instruction to the qualified custodian that includes the third-party payee's name and address or account number at a custodian;
2. The client authorizes WFI in writing to direct transfers to the named third-party payee or payees either on a specified schedule or from time-to-time;
3. The client's qualified custodian verifies the client's authorization and provides a transfer of funds notice to the client promptly after each transfer;
4. The client can terminate or change the instruction at any time on notice to the custodian;
5. WFI has no authority or ability to designate or change the identity, address, or other information of the designates third-party payee or payees in the instruction;
6. WFI maintains records showing that the designated third-party payee or payees is/are not a related party of the firm or located at the same address as the firm; and
7. The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

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

Wealth management services clients are typically required to grant our firm ongoing and continuous discretionary authority to execute our investment recommendations within their account(s) held at the independent qualified custodian/transfer



agent *without* obtaining their prior approval for each specific transaction. In a discretionary arrangement, you authorize us to purchase and sell securities and instruments in your account(s), arrange for delivery and payment in connection with the foregoing, and act on your behalf in all matters necessary or incidental to the handling of the account, including monitoring of your assets and the engagement and disengagement of Independent Managers. Occasionally, we will agree to manage a client account on a non-discretionary basis. In these circumstances, we are required to obtain your consent prior to implementing any securities transactions within your account, except for instances where we seek to rebalance your account to an asset allocation you have previously approved or to convert your existing mutual fund holdings to a lower-cost share class (when possible and in your best interests to do so). Under either arrangement, we will act in strict accordance with your stated investment needs, objectives, and restrictions when exercising trading authority over your designated account(s).

Financial planning and consulting services are non-discretionary in nature. The client makes all final investment decisions and is responsible for implementation and ongoing monitoring of investments.

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

- A** We will not vote proxies on behalf of clients and will not provide advice to clients on how the client should vote.
- B** We do not have or accept authority to vote client securities. Most clients will receive proxies and other solicitations directly from the custodian or transfer agent. If any proxy materials are received on behalf of a client, they will be sent directly to the client or a designated representative of the client, who is responsible for voting the proxy.

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

- A** Financial Condition. As an advisory firm that maintains discretionary authority for client accounts, WFI is required to disclose any financial condition that is reasonably likely to impair its ability to meet its contractual obligations. We have no such financial circumstances to report.
- B** Balance Sheet. We do not require or solicit prepayment of more than \$1,200 in fees per client six months or more in advance. Therefore, we are not required to provide a balance sheet with this brochure.
- C** Bankruptcy. WFI has not been the subject of a bankruptcy petition at any time in the past.