

# Blakely Walters

## Wealth Management Within Reach

Blakely Walters Wealth Management  
3333 N Hayden Road  
Scottsdale, AZ 85251

[www.BlakelyWalters.com](http://www.BlakelyWalters.com)

October 16, 2023

**This brochure provides information about the qualifications and business practices of Blakely Walters Wealth Management. If you have any questions about the contents of this brochure, please contact us at (480) 776-5895. 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. Registration as a registered investment advisor does not imply a certain level of skill or training.**

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

## **Item 2 Material Changes**

This is a new brochure and there has not been a previous annual update. Therefore, there are no changes to report.

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#### Brochure

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## **Item 4 Advisory Business**

Blakely Walters Wealth Management is an investment advisor firm registered with the US. Securities and Exchange Commission, since June 2023.

The principal owners of Blakely Walters Wealth Management are Sloan Walters and James Blakely, Managing Partners.

### Asset Management Services

Blakely Walters Wealth Management's ("Advisor" or "firm") principal service is providing fee-based asset management services. The Advisor practices custom management of portfolios, on a discretionary and non-discretionary basis, according to the client's objectives. The Advisor's primary approach is to use a tactical allocation strategy aimed at reducing risk and increasing performance. The Advisor may use any of the following: exchange listed securities, variable life insurance, variable annuities, municipal securities, and mutual funds to accomplish this objective. The Advisor measures and selects mutual funds by using various criteria, such as the fund manager's tenure, and/or overall career performance. The Advisor may recommend, on occasion, redistributing investment allocations to diversify the portfolio in an effort to reduce risk and increase performance. The Advisor may recommend specific stocks to increase sector weighting and/or dividend potential. The Advisor may recommend employing cash positions as a possible hedge against market movement which may adversely affect the portfolio. The Advisor may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position(s) in the portfolio, change in risk tolerance of client, or any risk deemed unacceptable for the client's risk tolerance.

### Financial Planning

In addition to investment supervisory services, Blakely Walters Wealth Management may provide Financial Planning Services to some of its clients. The Advisor's Financial Planning Services may include recommendations for portfolio customization based on the client's investment objectives, goals and financial situation, recommendations relating to investment strategies as well as tailored investment advice. Financial Planning Services may also include non-investment advice such as developing strategies to achieve retirement or other financial goals, tax optimization strategies, cash flow and budgeting analysis and recommendations, financing and financial education, estate planning, and asset protection strategies.

### Selection of Other Advisors

Blakely Walters Wealth Management may recommend and refer clients to unaffiliated money managers or investment advisors through Managed Account programs sponsored by a third-party provider. In these arrangements, the client will then enter into a program and investment advisory agreement with the program sponsor and sub-advisors. Blakely Walters Wealth Management will assist and advise the client in establishing investment objectives for the sub-advisors and continue to provide oversight of the client account and ongoing monitoring of the activities of the sub-advisors. The sub-advisors will develop an investment strategy to meet those objectives by identifying appropriate investments and monitoring such investments. In consideration for such services, the program sponsor will charge a program fee that includes the investment advisory fee

of the sub-advisors, the administration of the program and trading, clearance and settlement costs. The program sponsor will add Blakely Walters Wealth Management's asset management fee (described below in Item 5) and will deduct the overall fee from the client account monthly, in arrears, based on the value of the client account on the last day of the billing period.

Blakely Walters Wealth Management will ensure that all third-party money managers recommended to clients will be either an investment advisor registered with a relevant state securities commission, the U.S. Securities Exchange Commission, or exempt from such registrations. The client, prior to entering into an agreement with a third-party money manager selected by Blakely Walters Wealth Management, will be provided with that manager's Brochure, if required. In addition, Blakely Walters Wealth Management and the client will agree in writing that the client's account will be managed by that selected third-party money manager on a discretionary basis.

#### Group Investment Advisory Plan Services

Through referrals made by its business affiliate Planning Grounds L.L.C., Blakely Walters Wealth Management provides investment advice to individuals who participate in group investment advisory plans through their employer. The group investment advisory plan is similar to a group legal plan, where participating employees have direct access to professional services on an ongoing basis. Blakely Walters Wealth Management will meet one-on-one with employees up to three times per year and build a personal financial plan that meets their needs. In addition, the Advisor may provide plan participants with personal finance workshops, personal finance materials, access to financial management software, and employee benefits package tutorials. Participating employees will receive discounted advisory fees for any out-of-scope services, which will be separately agreed to in an advisory contract between the employee and Blakely Walters Wealth Management. Each participating employee will be charged a fixed monthly fee of \$20, directly deducted from their payroll and remitted by the employer to the Advisor, in arrears. Employees will receive periodic reminders from Blakely Walters Wealth Management to engage in the subscription program by contacting a Financial Advisor at the firm. All plan participants will receive a copy of Blakely Walters Wealth Management's disclosure Brochure.

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Blakely Walters Wealth Management will tailor its advisory services to its client's individual needs based on meetings and conversations with the client. If clients wish to impose restrictions on investing in certain securities or types of securities, the Advisor will address those restrictions with the client to have a clear understanding of the client's requirements.

Blakely Walters does not provide portfolio management services to wrap fee programs.

As of October 16, 2023, Blakely Walters had \$100,342,640 in discretionary, and \$0 in non-discretionary, client assets under management.

## **Item 5 Fees and Compensation**

### Asset Management Fees

Pursuant to an Investment Advisory contract signed by each client, the client will pay Blakely Walters Wealth Management an annual management fee, payable monthly or quarterly in arrears, based on the value of portfolio assets of the account on the last business day of the billing period. The management fee will be adjusted to account for significant contributions or withdrawals made to the account during the billing period. New account fees will be prorated from the inception of the account to the end of the first billing period.

Management fees range from 0.5% per annum to 1.5% per annum depending on the type and complexity of the investment management strategy employed as well as the size of the account or overall client relationship. The average management fee approximates 1.0% per annum. These fees may be negotiated by Blakely Walters Wealth Management at its sole discretion. Asset management fees will be directly deducted from the client account on a monthly or quarterly basis by the qualified custodian. The client will give written authorization permitting the Advisor to be paid directly from their account held by the custodian. The custodian will send a statement at least quarterly to the client and the Advisor will also send an invoice to the client outlining the fee calculation and time period covered, and the amount withdrawn from the client account.

### Financial Planning Services - Hourly Fees

Some clients will contract to have financial planning advice provided based on an hourly fee. The Advisor's hourly fee will be billed at a rate of \$300 per hour and will be negotiated and agreed upon by the parties in advance. Hourly fee-based clients are billed one half of the fee at the time of signing the agreement with the Advisor and the other one half upon delivery of the financial plan or written report to the client. If the final fee is not paid by the client at the delivery of the financial plan or written report, the client is required to pay the fee within five days of delivery of the financial plan or written report. The fee will be based upon the anticipated number of hours it will take to complete the financial plan or project. If the client terminates the Agreement with the Advisor prior to the Advisor's completion of the financial plan or project, any fees due the Advisor will be invoiced to the client and payable within five days of delivery of the invoice.

### Financial Planning Services - Fixed Fees

Blakely Walters Wealth Management will charge a fixed fee of up to \$5,000 per plan for financial planning services, as negotiated and contracted for with client in advance. The fee will be based upon the anticipated number of hours it will take to complete the financial plan or project, the complexity of the plan services, as well as the overall client relationship. Fixed fee-based clients are billed one-half of the fee at the time of signing the agreement with the Advisor and the other one-half upon delivery of the financial plan to the client. If the final fee is not paid by the client at the delivery of the financial plan, the client is required to pay the fee within five days of delivery of the financial plan. If the client terminates the Agreement with the Advisor prior to the Advisor's completion of the financial plan, any fees due the Advisor will be invoiced to the client and payable within five days of delivery of the invoice.

All fees paid to Blakely Walters Wealth Management for investment advisory services are separate and distinct from the expenses charged by mutual funds to their shareholders and the product

sponsor in the case of variable insurance products. These fees and expenses are described in each fund's or variable product's prospectus. These fees will generally include a management fee and other fund expenses. Client is responsible for all custodial and securities execution fees charged by the custodian and executing broker-dealer. The Advisor's fee is separate and distinct from the custodian and execution fees.

At no time will Blakely Walters Wealth Management accept or maintain custody of a client's funds or securities except for authorized fee deduction.

Blakely Walters Wealth Management's financial planning service fees are payable in advance. Upon termination, any fees paid in advance will be prorated to the date of termination and any unearned fees will be refunded to client.

Where acting in the capacity of a registered representative or insurance producer, investment advisor representatives of Blakely Walters Wealth Management may as broker or agent effect securities or insurance transactions for typical and customary compensation. This practice presents a conflict of interest by creating an incentive to recommend investment products based on the compensation received, rather than on a client's needs. Clients are not obligated to use investment advisor representatives of Blakely Walters Wealth Management to execute such securities transactions. A client may be able to invest in products recommended by the firm directly, without the services of Blakely Walters Wealth Management. In that case, the client would not receive the services provided by Blakely Walters Wealth Management, which are designed, among other things, to assist the client in determining which products or services are most appropriate to each client's financial condition and objectives.

#### **Item 6 Performance-Based Fees and Side-by-Side Management**

Blakely Walters Wealth Management does not charge performance-based fees.

#### **Item 7 Types of Clients**

Blakely Walters Wealth Management will offer its services to individuals, high net worth individuals, trusts, estates, or charitable organizations, and corporations or other business entities.

The Advisor's cumulative minimum account requirement for opening and maintaining an account is \$250,000.

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

Blakely Walters Wealth Management may utilize fundamental, technical, or cyclical analysis techniques in formulating investment advice or managing assets for clients.

Fundamental analysis of businesses involves analyzing its financial statements and health, its management and competitive advantages and its competitors and markets. Fundamental analysis is performed on historical and present data but with the goal of making financial forecasts. There are several possible objectives: to conduct a company stock valuation and predict its probable price

evolution; to make a projection on its business performance; to evaluate its management and make internal business decisions; and to calculate its credit risk.

Technical analysis is a method of evaluating securities by relying on the assumption that market data, such as charts of price, volume and open interest can help predict future (usually short-term) market trends. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall.

Cyclical analysis of economic cycles is used to determine how these cycles affect the returns of an investment, an asset class or an individual company's profits. Cyclical risks exist because the broad economy has been shown to move in cycles, from periods of peak performance followed by a downturn, then a trough of low activity. Between the peak and trough of a business or other economic cycle, investments may fall in value to reflect the uncertainty surrounding future returns as compared with the recent past.

The investment strategies the Advisor will implement may include long-term purchases of securities held at least for one year and short-term purchases for securities sold within a year.

The methods of analysis and investment strategies followed by the Advisor are utilized across all of the Advisor's clients, as applicable. One method of analysis or investment strategy is not more significant than the other as the Advisor is considering the client's portfolio, risk tolerance, time horizon and individual goals. However, the client should be aware that with any trading that occurs in the client account, the client will incur transaction and administrative costs.

Investing includes the risk that the value of an investment can be negatively affected by factors specifically related to the investment (e.g., capability of management, competition, new inventions by other companies, lawsuits against the company, labor issues, patent expiration, etc.), or to factors related to investing and the markets in general (e.g., the economy, wars, civil unrest or terrorism around the world, concern about oil prices or unemployment, etc.).

Risks of fundamental analysis may include risks that market actions, natural disasters, government actions, world political events or other events not directly related to the price or valuation of a specific company's fundamental analysis can adversely impact the stock price of a company causing a portfolio containing that security to lose value. Risks may also include that the historical data and projections on which the fundamental analysis is performed may not continue to be relevant to the operations of a company going forward, or that management changes or the business direction of management of the company may not permit the company to continue to produce metrics that are consistent with the prior company data utilized in the fundamental analysis, which may negatively affect the Advisor's estimate of the valuation of the company.

The primary risks in technical analysis are that the factors used to analyze the price, trends and volatility of a security may not be replicated, or the outcomes of such analysis will not be the same as in past periods where similar combinations existed. Because of the reliance on trends, technical analysis can signal buying at market peaks and selling at market troughs.



In cyclical analysis, economic or business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions. Also, the lengths of the economic cycles may be difficult to predict with accuracy. Therefore, the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

All investments involve some degree of risk. In finance, risk refers to the degree of uncertainty and/or potential financial loss inherent in an investment decision. In general, as investment risks rise, investors seek higher returns to compensate themselves for taking such risks. Clients need to be aware that investing in securities involves risk of loss that clients need to be prepared to bear.

Every saving and investment product have different risks and returns. Differences include how readily investors can get their money when they need it, how fast their money will grow, and how safe their money will be. The primary risks faced by investors include:

#### Business Risk

With a stock, you are purchasing a piece of ownership in a company. With a bond, you are loaning money to a company. Returns from both of these investments require that the company stays in business. If a company goes bankrupt and its assets are liquidated, common stockholders are the last in line to share in the proceeds. If there are assets, the company's bondholders will be paid first, then holders of preferred stock. If you are a common stockholder, you get whatever is left, which may be nothing.

The business risk in purchasing an annuity is that the financial strength of the insurance company issuing the annuity may decline and not be able to pay out the annuity obligation.

#### Volatility Risk

Even when companies aren't in danger of failing, their stock price may fluctuate up or down. Large company stocks as a group, for example, have lost money on average about one out of every three years. A stock's price can be affected by factors inside the company, such as a faulty product, or by events the company has no control over, such as political or market events.

#### Inflation Risk

Inflation is a general upward movement of prices. Inflation reduces purchasing power, which is a risk for investors receiving a fixed rate of interest. The principal concern for individuals investing in cash equivalents is that inflation will erode returns.

#### Interest Rate Risk

Interest rate changes can affect a bond's value. If bonds are held to maturity the investor will receive the face value, plus interest. If sold before maturity, the bond may be worth more or less than the face value. Rising interest rates will make newly issued bonds more appealing to investors because the newer bonds will have a higher rate of interest than older ones. To sell an older bond with a lower interest rate, you might have to sell it at a discount.

### Liquidity Risk

This refers to the risk that investors won't find a market for their securities, potentially preventing them from buying or selling when they want. This can be the case with the more complicated investment products. It may also be the case with products that charge a penalty for early withdrawal or liquidation such as a certificate of deposit (CD).

The Advisor does not primarily recommend a particular type of security. However, clients are advised that many unexpected broad environmental factors can negatively impact the value of portfolio securities causing the loss of some or all of the investment, including changes in interest rates, political events, natural disasters, and acts of war or terrorism. Further, factors relevant to specific securities may have negative effects on their value, such as competition or government regulation. Also, the factors for which the company was selected for inclusion in a client portfolio may change, for example, due to changes in management, new product introductions, or lawsuits.

### **Item 9 Disciplinary Information**

Neither Blakely Walters Wealth Management nor its management persons have had any legal or disciplinary events, currently or in the past.

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

Neither Blakely Walters Wealth Management nor any of its management persons are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Investment advisor representatives of Blakely Walters Wealth Management are also Registered Representatives and Investment Adviser Representatives of NEXT Financial Group, Inc. (CRD #46214), a FINRA registered broker-dealer and U.S. Securities and Exchange Commission registered investment adviser. Clients that use NEXT Financial Group, Inc. as a broker-dealer will incur commissions, sales charges, mark-ups, and markdowns. Clients that use NEXT Financial Group, Inc. for investment advisory services could incur higher management fees depending on investment selection. This creates a conflict of interest because investment advisor representatives may be incentivized to make recommendations where the highest fee can be earned. Blakely Walters Wealth Management addresses this conflict of interest by disclosing to its clients prior to initiating any transaction related business that by utilizing NEXT Financial Group, Inc. in the Registered Representative capacity the client will incur additional fees, or that investment management fees charged by NEXT Financial Group, Inc. may be higher. Those expenses or fees are explained to the client in advance of offering these services. Fees charged and paid to NEXT Financial Group, Inc. for commissions on non-advisory assets, and advisory fees on assets that are not being managed through Blakely Walters Wealth Management, will not incur fees from Blakely Walters Wealth Management.

Investment advisor representatives of Blakely Walters Wealth Management are also licensed and registered as insurance agents to sell life, health, and variable annuity lines of insurance for various insurance companies. Insurance products are offered through Blakely Walters Insurance, LLC. Blakely Walters Wealth Management and Blakely Walters Insurance, LLC are under common

ownership and co-owned by Sloan Walters and James Blakely, Managing Partners. Investment advisor representatives will be able to purchase insurance products for any client in need of such services and will receive separate, yet typical compensation in the form of commissions for the purchase of insurance products. This creates a conflict of interest because investment advisor representatives may be incentivized to make recommendations based upon the compensation received rather than upon the client's best interests. Clients are not obligated to use investment advisor representatives or Blakely Walters Insurance, LLC for insurance products services. However, in such instances, there is no advisory fee associated with these insurance products, and clients will be made aware of all commissions associated with the products prior to the transactions.

Sloan Walters and James Blakely, Managing Partners, are also co-owners of Blakely Walters Tax Services LLC ("Blakely Walters Tax Services"), which is under common ownership with Blakely Walters Wealth Management. Blakely Walters Tax Services provides tax preparation and filing for clients in need of such services. Tax preparation and filing is conducted by other individuals employed by Blakely Walters Tax Services. Although Mr. Walters and Mr. Blakely do not directly provide these services, their co-ownership of Blakely Walters Tax Services creates a conflict of interest because of the receipt of additional compensation. If the client utilizes Blakely Walters Tax Services for tax services or tax advice, these services are contracted directly through Blakely Walters Tax Services and billed separately. Any such additional charges will be disclosed to the client prior to the client consenting to utilizing the services of Blakely Walters Tax Services. Other investment advisors of Blakely Walters Wealth Management are not compensated based on any client referrals they may make to Blakely Walters Tax Services.

Investment advisor representatives of Blakely Walters Wealth Management are also mortgage loan officers of Neighborhood Loans and as such will receive separate, yet typical compensation in the form of commissions relating to mortgage transactions. This creates a conflict of interest because of the receipt of additional income by investment advisor representatives. Clients are not obligated to use investment advisor representatives of Blakely Walters Wealth Management for mortgage services. If a client does use investment advisor representatives for mortgage services, all of the fees associated with the mortgage services will be disclosed to the client in advance.

Investment advisor representatives of Blakely Walters Wealth Management are also consultants at Planning Grounds L.L.C., which provides employers with centralized consultative services to deliver financial wellness benefits to their employees. Through this service, Planning Grounds L.L.C. may refer employees to Financial Advisors at Blakely Walters Wealth Management, insurance producers at Blakely Walters Insurance, LLC, and tax preparers at Blakely Walters Tax Services LLC. This creates a conflict of interest because of the affiliation between the three Blakely Walters business entities and the receipt of compensation in the form of advisory fees, commissions, and hourly or fixed fees. Clients are not obligated to use the service referrals made by Planning Grounds L.L.C., but if the client utilizes any of the three services, these services will be contracted directly through the respective business entity and billed separately, and all of the fees or commissions associated with the services as well as the business affiliations will be disclosed to the client in advance.

Blakely Walters Wealth Management recommends or selects other investment advisors for clients. The Advisor will receive direct compensation from third-party managers in connection with its recommendation of those managers. Compensation received is limited to Blakely Walters Wealth Management's investment advisory fee due under its investment advisory contract with the client, collected on the firm's behalf from the client account by the third-party manager and remitted to the firm. This does not create a conflict of interest because Blakely Walters Wealth Management's fee will never exceed the fee it charges other asset management clients who are not referred to a third-party manager and Blakely Walters Wealth Management provides the same level of services to clients who are referred to third-party managers as it provides to its asset management clients. For more specific detail on the services and fees associated with third-party manager referrals, see the discussions in Items 4 and 5 above.

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

Blakely Walters Wealth Management is registered with the United States Securities and Exchange Commission (SEC) and maintains a Code of Ethics pursuant to SEC rule 204A-1. Blakely Walters Wealth Management has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the Advisor. In addition, the Code of Ethics governs personal trading by each employee of Blakely Walters Wealth Management deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of Blakely Walters Wealth Management are conducted in a manner that avoids any conflict of interest between such persons and clients of the adviser or its affiliates. Blakely Walters Wealth Management collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve conflicts of interest. Blakely Walters Wealth Management will provide a copy of the Code of Ethics to any client or prospective client upon request.

Where acting in the capacity of a registered representative, investment advisor representatives of Blakely Walters Wealth Management may as broker or agent effect securities transactions for typical and customary compensation. This creates a conflict of interest. Clients are not obligated to use investment advisor representatives of the Blakely Walters Wealth Management to execute such securities transactions. If client elects to use the investment advisor representatives of Blakely Walters Wealth Management in this capacity, fees associated with these types of transactions will be disclosed to the client, in advance.

In the course of providing advisory services, Blakely Walters Wealth Management may simultaneously recommend the sale of a particular security for one account while recommending the purchase of the same security for another account if such recommendation is consistent with each clients' investment objectives and guidelines. In such situations, Blakely Walters Wealth Management will make all appropriate disclosures and secure necessary approvals from the client as required by the Adviser's Act. Clients are not obligated to engage in agency cross transactions. The result of additional fees paid to Blakely Walters Wealth Management in this arrangement, if any, creates a conflict of interest. If a client does engage in these types of transaction, client will be made aware of the additional fees they will incur as a result of this arrangement.

Blakely Walters Wealth Management does not recommend to clients, or buy or sell for client accounts, securities in which the firm or a related person has a material financial interest.

Blakely Walters Wealth Management and/or its investment advisor representatives may from time to time purchase or sell products that they may recommend to clients. This practice creates conflicts of interest in that personnel of Blakely Walters Wealth Management can take advantage of the advance knowledge of firm securities trading and trade their personal accounts ahead of the client trades or recommend trades in client accounts that may affect the price of the securities owned by the Investment Advisor Representatives. To mitigate these conflicts, Blakely Walters Wealth Management has adopted a Code of Ethics as noted above. Blakely Walters Wealth Management's Code of Ethics is available upon request. Supervised persons of registered investment advisors are fiduciaries by law and are required to put the client's interest before those of the firm and themselves. Finally, Blakely Walters Wealth Management requires that its investment advisor representatives follow its basic policies and ethical standards as set forth in its Code of Ethics.

Investment advisor representatives of Blakely Walters Wealth Management may trade for their own accounts securities that are being traded for client accounts at or about the same time. To mitigate the conflict of interest in such circumstances, Blakely Walters Wealth Management's policy is to require the trading of all relevant client accounts prior to the trading of their own accounts. The Chief Compliance Officer examines personal trading activities of Blakely Walters Wealth Management's personnel to verify compliance with this policy.

## **Item 12 Brokerage Practices**

If requested by the client, Blakely Walters Wealth Management may suggest brokers or dealers to be used based on execution and custodial services offered, cost, quality of service and industry reputation. Blakely Walters Wealth Management will consider factors such as commission price, speed and quality of execution, client management tools, and convenience of access for both the Advisor and client in making its suggestion. Blakely Walters Wealth Management intends to recommend that our clients use SEI Investments Company as the qualified custodian.

Blakely Walters Wealth Management may receive proprietary research services or other products as a result of recommending a particular broker which may result in the client paying higher commissions than those obtainable through other brokers. If Blakely Walters Wealth Management does receive such products or services, it will follow procedures which ensure compliance with Section 28(e) of the Securities Exchange Act of 1934 or applicable state securities rules.

The firm seeks to obtain the most favorable net results for clients' price, execution quality, services and commissions. Although the firm seeks competitive commission rates, it may pay commissions on behalf of clients which may be higher than those available from other brokers in order to receive other services. The firm may enter into such transactions so long as it determines in good faith that the amount of commission paid was reasonable in relation to the value of the brokerage and research services provided by the broker. The services that may be considered in this determination of reasonableness may include (1) advice, either directly or through publications or writing, as to the value of securities, the advisability of investing in, purchasing or selling

securities, and the availability of securities or purchasers or sellers of securities; (2) analysis and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy, and the performance of accounts; or (3) effecting securities transactions and performing functions incidental thereto. Such research furnished by broker-dealers may be used to service any or all of Blakely Walters Wealth Management's clients and may be used in connection with accounts other than those that pay commissions to the broker-dealers providing the research. In particular, third-party research provided by broker-dealers may be used to benefit all of the firm's clients. This creates a conflict of interest in that the firm has an incentive to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on the clients' interest in receiving most favorable execution.

Benefits received may be used as soft dollars provided that:

- The service is primarily for the benefit of Blakely Walters Wealth Management's clients
- The commission rates are competitive with rates charged by comparable broker-dealers; and
- Blakely Walters Wealth Management does not guarantee a minimum amount of commissions to any broker-dealer.

Blakely Walters Wealth Management does not receive client referrals from any broker-dealer or third party as a result of the firm selecting or recommending that broker-dealer to clients.

Blakely Walters Wealth Management recommends that all clients use a particular broker-dealer for execution and/or custodial services. The broker-dealer is recommended based on criteria such as, but not limited to, reasonableness of commissions charged to the client, tools and services made available to the client and the Advisor, and convenience of access to the account trading and reporting. The client will provide authority to Blakely Walters Wealth Management to direct all transactions through that broker-dealer in the investment advisory agreement.

As an investment advisory firm, Blakely Walters Wealth Management has a fiduciary duty to seek best execution for client transactions. While best execution is difficult to define and challenging to measure, there is some consensus that it does not solely mean the achievement of the best price on a given transaction. Rather, it appears to be a collective consideration of factors concerning the trade in question. Such factors include the security being traded, the price of the trade, the speed of the execution, apparent conditions in the market, and the specific needs of the client. Blakely Walters Wealth Management's primary objectives when placing orders for the purchase and sale of securities for client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the broker. Blakely Walters Wealth Management may not necessarily pay the lowest commission or commission equivalent as specific transactions may involve specialized services on the part of the broker.

Blakely Walters Wealth Management does not permit clients to direct brokerage.

Blakely Walters Wealth Management may combine orders into block trades when more than one account is participating in the trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account (e.g. for the purposes of reducing brokerage

commissions or obtaining a more favorable execution price). Block trading is performed when it is consistent with the duty to seek best execution and is consistent with the terms of Blakely Walters Wealth Management's investment advisory agreements. Equity trades are blocked based upon fairness to client, both in the participation of their account, and in the allocation of orders for the accounts of more than one client. Allocations of all orders are performed in a timely and efficient manner. All managed accounts participating in a block execution receive the same execution price (average share price) for the securities purchased or sold in a trading day. Any portion of an order that remains unfilled at the end of a given day will be rewritten on the following day as a new order with a new daily average price to be determined at the end of the following day. Due to the low liquidity of certain securities, broker availability may be limited. Open orders are worked until they are completely filled, which may span the course of several days. If an order is filled in its entirety, securities purchased in the aggregated transaction will be allocated among the accounts participating in the trade in accordance with the allocation statement. If an order is partially filled, the securities will be allocated pro rata based on the allocation statement. Blakely Walters Wealth Management may allocate trades in a different manner than indicated on the allocation statement (non-pro rata) only if all managed accounts receive fair and equitable treatment.

### **Item 13 Review of Accounts**

The firm reviews client accounts on an annual basis, or when conditions would warrant a review based on market conditions or changes in client circumstances. Triggering factors may include Blakely Walters Wealth Management becoming aware of a change in client's investment objectives, a change in market conditions, change of employment, or a change in recommended asset allocation weightings in the account that exceed a predefined guideline. Client accounts are reviewed by Financial Advisors managing the client relationship.

The client is encouraged to notify the Advisor and Investment Advisor Representative if changes occur in his/her personal financial situation that might materially affect his/her investment plan.

The client will receive written statements no less than quarterly from the custodian. In addition, the client will receive other supporting reports from mutual funds, asset managers, trust companies or other custodians, insurance companies, broker-dealers, and others who are involved with client accounts. Blakely Walters Wealth Management does not deliver separate client reports.

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

Blakely Walters Wealth Management is not compensated by anyone for providing investment advice or other advisory services except as previously disclosed in this Brochure.

Blakely Walters Wealth Management does not directly or indirectly compensate any person who is not a supervised person for client referrals.

## **Item 15 Custody**

Blakely Walters Wealth Management does not have custody of client funds or securities, except for the withdrawal of advisory fees directly from client accounts (please see Item 5 which describes the safeguards around direct fee deduction). However, as noted in Item 13 above, clients will receive statements not less than quarterly from the qualified custodian, and we encourage you to review those statements carefully. Any discrepancies should be immediately brought to the firm's attention.

## **Item 16 Investment Discretion**

Blakely Walters Wealth Management generally has discretion over the selection and amount of securities to be bought or sold in client accounts without obtaining prior consent or approval from the client for each transaction. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the client and agreed to by Blakely Walters Wealth Management.

Discretionary authority will only be provided upon full disclosure to the client. The granting of such authority will be evidenced by the client's execution of an Investment Advisory Agreement containing all applicable limitations to such authority. All discretionary trades made by Blakely Walters Wealth Management will be in accordance with each client's investment objectives and goals.

## **Item 17 Voting Client Securities**

Blakely Walters Wealth Management will not vote, nor advise clients how to vote, proxies for securities held in client accounts. The client clearly keeps the authority and responsibility for the voting of these proxies. Also, Blakely Walters Wealth Management cannot give any advice or take any action with respect to the voting of these proxies. The client and Blakely Walters Wealth Management agree to this by contract. Clients will receive proxy solicitations from their custodian and/or transfer agent.

## **Item 18 Financial Information**

Blakely Walters Wealth Management does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and is not required to file a balance sheet.

Blakely Walters Wealth Management has discretionary authority over client accounts and is not aware of any financial condition that will likely impair its ability to meet contractual commitments to clients. If Blakely Walters Wealth Management does become aware of any such financial condition, this Brochure will be updated and clients will be notified.

Blakely Walters Wealth Management has never been subject to a bankruptcy petition.