

# Walkner Condon Financial Advisors LLC

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Walkner Condon Financial Advisors LLC. If you have any questions about the contents of this brochure, please contact us at (608) 234-4127 or by email at: [info@walknercondon.com](mailto:info@walknercondon.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about Walkner Condon Financial Advisors LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Walkner Condon Financial Advisors LLC's CRD number is: 160109.*

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*Registration as an investment adviser does not imply a certain level of skill or training.*

Version Date: 03/04/2021

## Item 2: Material Changes

The material changes in this brochure from the last annual updating amendment of Walkner Condon Financial Advisors LLC on 02/07/2020 are described below. Material changes relate to Walkner Condon Financial Advisors LLC's policies, practices or conflicts of interests.

- Walkner Condon Financial Advisors LLC has updated financial information (Item 18).
- Walkner Condon Financial Advisors LLC has updated types of clients (Item 7).
- Walkner Condon Financial Advisors LLC has updated outside business activities (Item 10).
- Walkner Condon Financial Advisors LLC has added custodians (Item 12 and Item 14).

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

Walkner Condon Financial Advisors LLC (hereinafter "WCFA") is a Limited Liability Company organized in the State of Wisconsin. The firm was formed in December 2011, and the principal owners are Clinton Thomas Walkner, Nathan Michael Condon and Jonathon Thomas Jordan.

### B. Types of Advisory Services

#### *Portfolio Management Services*

WCFA offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. WCFA creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels). Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

WCFA evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. WCFA will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

WCFA seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of WCFA's economic, investment or other financial interests. To meet its fiduciary obligations, WCFA attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, WCFA's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is WCFA's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

#### *Selection of Other Advisers*

WCFA may direct clients to third-party investment advisers to manage all or a portion of the client's assets. Before selecting other advisers for clients, WCFA will always ensure those other advisers are properly licensed or registered as an investment adviser. WCFA

conducts due diligence on any third-party investment adviser, which may involve one or more of the following: phone calls, meetings and review of the third-party adviser's performance and investment strategy. WCFA then makes investments with a third-party investment adviser by referring the client to the third-party adviser. WCFA will review the ongoing performance of the third-party adviser as a portion of the client's portfolio.

### ***Financial Planning***

Financial plans and financial planning may include, but are not limited to: investment planning; life insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

### ***Services Limited to Specific Types of Investments***

WCFA generally limits its investment advice to mutual funds, fixed income securities, real estate funds, insurance products including annuities, equities, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds and non-U.S. securities. WCFA may use other securities as well to help diversify a portfolio when applicable.

## **C. Client Tailored Services and Client Imposed Restrictions**

WCFA offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels). Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent WCFA from properly servicing the client account, or if the restrictions would require WCFA to deviate from its standard suite of services, WCFA reserves the right to end the relationship.

## **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, and certain other administrative fees. WCFA does not participate in wrap fee programs.

## **E. Assets Under Management**

WCFA has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Non-discretionary Amounts:</b>	<b>Date Calculated:</b>
\$297,052,214	\$39,033,803	December 2020

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Portfolio Management Fees*

<b>Total Assets Under Management</b>	<b>Annual Fees</b>
\$0 - \$1,000,000	1.00%
\$1,000,000 - \$3,000,000	0.75%
\$3,000,000 - \$5,000,000	0.50%
\$5,000,000 - AND UP	0.25%

WCFA uses the value of the account as of the last business day of the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based.

These fees are generally negotiable and the final fee schedule will be memorialized in the client's advisory agreement. Clients may terminate the agreement without penalty for a full refund of WCFA's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 30 days' written notice.

#### *Selection of Other Advisers Fees*

WCFA will receive its standard fee on top of the fee paid to the third party adviser. This relationship will be memorialized in each contract between WCFA and each third-party adviser. The fees will not exceed any limit imposed by any regulatory agency. Specifically WCFA may direct clients to Morningstar Investment Solutions.

These fees are negotiable.

#### *Financial Planning Fees*

##### **Hourly Fees**

The negotiated hourly fee for these services is between \$150 and \$300.

Clients may terminate the agreement without penalty, for full refund of WCFA's fees, within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

## **B. Payment of Fees**

*In some cases, WCFA may collect fees on a different frequency, that will be completed on a case by case basis and documented in the client agreement.*

### ***Payment of Portfolio Management Fees***

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a monthly basis. Fees are paid in arrears.

### ***Payment of Selection of Other Advisers Fees***

Fees for selection of Morningstar Investment Solutions as third-party adviser are withdrawn directly from the client's accounts with client's written authorization. Fees are paid quarterly in arrears.

### ***Payment of Financial Planning Fees***

Financial planning fees are paid via check.

Hourly financial planning fees are paid 50% in advance, but never more than six months in advance, with the remainder due upon presentation of the plan.

## **C. Client Responsibility For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by WCFA. Please see Item 12 of this brochure regarding broker-dealer/custodian.

## **D. Prepayment of Fees**

WCFA collects certain fees in advance and certain fees in arrears, as indicated above. Refunds for fees paid in advance but not yet earned will be refunded on a prorated basis and returned within fourteen days to the client via check, or return deposit back into the client's account.

For hourly fees that are collected in advance, the fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

## E. Outside Compensation For the Sale of Securities to Clients

Neither WCFA nor its supervised persons accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds.

## Item 6: Performance-Based Fees and Side-By-Side Management

WCFA does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## Item 7: Types of Clients

WCFA generally provides advisory services to Individuals.

The account minimum for WCFA's services is \$2,500 to be waived at WCFA's discretion.

## Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss

### A. Methods of Analysis and Investment Strategies

#### *Methods of Analysis*

WCFA's methods of analysis include Modern portfolio theory.

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

#### *Investment Strategies*

WCFA uses long term trading.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## B. Material Risks Involved

### *Methods of Analysis*

**Modern portfolio theory** assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

### *Investment Strategies*

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Selection of Other Advisers:** Although WCFA will seek to select only money managers who will invest clients' assets with the highest level of integrity, WCFA's selection process cannot ensure that money managers will perform as desired and WCFA will have no control over the day-to-day operations of any of its selected money managers. WCFA would not necessarily be aware of certain activities at the underlying money manager level, including without limitation a money manager's engaging in unreported risks, investment "style drift" or even regulatory breaches or fraud.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## C. Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Risks in investing in ETFs include trading risks, liquidity and shutdown risks, risks associated with a change in authorized participants and non-participation of authorized participants, risks that trading price differs from indicative net asset value (iNAV), or price fluctuation and disassociation from the index being tracked. With regard to trading risks, regular trading adds cost to your portfolio thus counteracting the low fees that one of the typical benefits of ETFs. Additionally, regular trading to beneficially “time the market” is difficult to achieve. Even paid fund managers struggle to do this every year, with the majority failing to beat the relevant indexes. With regard to liquidity and shutdown risks, not all ETFs have the same level of liquidity. Since ETFs are at least as liquid as their underlying assets, trading conditions are more accurately reflected in implied liquidity rather than the average daily volume of the ETF itself. Implied liquidity is a measure of what can potentially be traded in ETFs based on its underlying assets. ETFs are subject to market volatility and the risks of their underlying securities, which may include the risks associated with investing in smaller companies, foreign securities, commodities, and fixed income investments (as applicable). Foreign securities in particular are subject to interest rate, currency exchange rate, economic, and political risks, all of which are magnified in emerging markets. ETFs that target a small universe of securities, such as a specific region or market sector, are generally subject to greater market volatility, as well as to the specific risks associated with that sector, region, or other focus. ETFs that use derivatives, leverage, or complex investment strategies are subject to additional risks. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and

other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors. The return of an index ETF is usually different from that of the index it tracks because of fees, expenses, and tracking error. An ETF may trade at a premium or discount to its net asset value (NAV) (or indicative value in the case of exchange-traded notes). The degree of liquidity can vary significantly from one ETF to another and losses may be magnified if no liquid market exists for the ETF's shares when attempting to sell them. Each ETF has a unique risk profile, detailed in its prospectus, offering circular, or similar material, which should be considered carefully when making investment decisions.

**Real estate** funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Annuities** are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

**Non-U.S.** securities present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## Item 9: Disciplinary Information

### A. Criminal or Civil Actions

There are no criminal or civil actions to report.

## **B. Administrative Proceedings**

There are no administrative proceedings to report.

## **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

## **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither WCFA nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

## **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither WCFA nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

## **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Clinton Thomas Walkner, Nathan Michael Condon and Jonathon Thomas Jordan are the founding partners of Walkner Condon Tax Services LLC, a tax preparation and consulting services company. From time to time, they may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. WCFA always acts in the best interest of the client and clients always have the right to decide whether or not to utilize the services of any representative of WCFA in such individual's outside capacities.

## **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

WCFA may direct clients to third-party investment advisers to manage all or a portion of the client's assets. Clients will pay WCFA its standard fee in addition to the standard fee for the advisers to which it directs those clients. This relationship will be memorialized in each contract between WCFA and each third-party advisor. The fees will not exceed any limit imposed by any regulatory agency. WCFA will always act in the best interests of the

client, including when determining which third-party investment adviser to recommend to clients. WCFA will ensure that all recommended advisers are licensed or notice filed in the states in which WCFA is recommending them to clients.

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

### **A. Code of Ethics**

WCFA has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. WCFA's Code of Ethics is available free upon request to any client or prospective client.

### **B. Recommendations Involving Material Financial Interests**

WCFA does not recommend that clients buy or sell any security in which a related person to WCFA or WCFA has a material financial interest.

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of WCFA may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of WCFA to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. WCFA will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of WCFA may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of WCFA to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, WCFA will never engage in

trading that operates to the client's disadvantage if representatives of WCFA buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on WCFA's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and WCFA may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in WCFA's research efforts. WCFA will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

WCFA recommends TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC, Interactive Brokers LLC, Kingdom Trust, Charles Schwab & Co., Inc., Altruist, and Betterment Securities.

#### ***1. Research and Other Soft-Dollar Benefits***

While WCFA has no formal soft dollars program in which soft dollars are used to pay for third party services, WCFA may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). WCFA may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and WCFA does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. WCFA benefits by not having to produce or pay for the research, products or services, and WCFA will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that WCFA's acceptance of soft dollar benefits may result in higher commissions charged to the client.

#### ***2. Brokerage for Client Referrals***

WCFA receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

WCFA may permit clients to direct it to execute transactions through a specified broker-dealer. If a client directs brokerage, then the client will be required to acknowledge in writing that the client's direction with respect to the use of brokers supersedes any authority granted to WCFA to select brokers; this direction may result in higher commissions, which may result in a disparity between free and directed accounts; the client may be unable to participate in block trades (unless WCFA is able to engage in "step outs"); and trades for the client and other directed accounts may be executed after trades for free accounts, which may result in less favorable prices, particularly for illiquid securities or during volatile market conditions. Not all investment advisers allow their clients to direct brokerage.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

If WCFA buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, WCFA would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. WCFA would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

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

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for WCFA's advisory services provided on an ongoing basis are reviewed at least Annually by Nathan C Condon, Founding Partner | Financial Advisor, with regard to clients' respective investment policies and risk tolerance levels. All accounts at WCFA are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Nathan C Condon, Founding Partner | Financial Advisor. Financial planning clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, WCFA's services will generally conclude upon delivery of the financial plan.

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of WCFA's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

Each financial planning client will receive the financial plan upon completion.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

WCFA participates in the institutional advisor program (the "Program") offered by TD Ameritrade. TD Ameritrade offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. WCFA receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, WCFA participates in TD Ameritrade's institutional advisor program and WCFA may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between WCFA's participation in the Program and the investment advice it gives to its clients, although WCFA receives economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving WCFA participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have WCFA's fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to WCFA by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by WCFA's related persons. Some of the products and services made available by TD Ameritrade through the Program may benefit WCFA but may not benefit its client accounts. These products or services may

assist WCFA in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help WCFA manage and further develop its business enterprise. The benefits received by WCFA or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, WCFA endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by WCFA or its related persons in and of itself creates a conflict of interest and may indirectly influence the WCFA's choice of TD Ameritrade for custody and brokerage services.

Charles Schwab & Co., Inc. Advisor Services provides WCFA with access to Charles Schwab & Co., Inc. Advisor Services' institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Charles Schwab & Co., Inc. Advisor Services. Charles Schwab & Co., Inc. Advisor Services includes brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For WCFA client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor Services generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts.

Charles Schwab & Co., Inc. Advisor Services also makes available to WCFA other products and services that benefit WCFA but may not benefit its clients' accounts. These benefits may include national, regional or WCFA specific educational events organized and/or sponsored by Charles Schwab & Co., Inc. Advisor Services. Other potential benefits may include occasional business entertainment of personnel of WCFA by Charles Schwab & Co., Inc. Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist WCFA in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of WCFA's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of WCFA's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to WCFA other services intended to help WCFA manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory

compliance, employee benefits providers, and human capital consultants, insurance and marketing. In addition, Charles Schwab & Co., Inc. Advisor Services may make available, arrange and/or pay vendors for these types of services rendered to WCFA by independent third parties. Charles Schwab & Co., Inc. Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to WCFA. WCFA is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.

## **B. Compensation to Non – Advisory Personnel for Client Referrals**

WCFA does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

### **Item 15: Custody**

When advisory fees are deducted directly from client accounts at client's custodian, WCFA will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

Custody is also disclosed in Form ADV because WCFA has authority to transfer money from client account(s), which constitutes a standing letter of authorization (SLOA). Accordingly, WCFA will follow the safeguards specified by the SEC rather than undergo an annual audit.

### **Item 16: Investment Discretion**

WCFA provides discretionary and non-discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, WCFA generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share.

### **Item 17: Voting Client Securities (Proxy Voting)**

WCFA will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

WCFA neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

In light of the COVID-19 coronavirus and historic decline in market values, WCFA has elected to participate in the CARES Act's Paycheck Protection Program ("PPP") to strengthen its balance sheet. WCFA intends to use this loan predominantly to continue payroll for the firm and may ultimately seek loan forgiveness per the terms of the PPP. Due to this and other measures taken internally, WCFA has been able to operate and continue serving its clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

WCFA has not been the subject of a bankruptcy petition in the last ten years.

## **Item 19: Requirements For State Registered Advisers**

### **A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background**

The education and business backgrounds of WCFA's current management persons, Clinton Thomas Walkner, Jonathon Thomas Jordan, Keith Alan Poniewaz, Nathan Michael Condon and Mitchell Timothy DeWitt, can be found on the Form ADV Part 2B brochure supplements for those individuals.

### **B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)**

Other business activities for each relevant individual can be found on the Form ADV Part 2B brochure supplement for each such individual.

**C. Calculation of Performance-Based Fees and Degree of Risk to Clients**

WCFA does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

**D. Material Disciplinary Disclosures for Management Persons of this Firm**

There are no civil, self-regulatory organization, or arbitration proceedings to report under this section.

**E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)**

See Item 10.C and 11.B.