

**Part 2A of Form ADV: *Firm Brochure***

**Wescom Financial Services, LLC**

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This Brochure provides information about the qualifications and business practices of Wescom Financial Services, LLC. If you have any questions about the contents of this Brochure, please contact us at (888) 879-0558, extension 5104 or [wfstraders@wescom.org](mailto:wfstraders@wescom.org). 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.

Wescom Financial Services, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information you may use to determine to hire or retain an Adviser.

Additional information about Wescom Financial Services, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site using a unique identifying number, known as a CRD number. Our firm's CRD number is 125650.

**Item 2 Material Changes**

Since the last filing of our Form ADV Part 2 dated 03/15/2019, the Chief Compliance Officer has changed from Whitney Bullock to Diana Nash.

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**Attached**

ADV Part 2B, Supplement(s)

## **Item 4 Advisory Business**

Wescom Financial Services, LLC (WFS), is a registered investment advisor, broker-dealer, and a wholly owned subsidiary of Wescom Central Credit Union (WCCU). WCCU is a member owned state chartered credit union serving its members since 1934.

Wescom Financial began conducting business as an investment adviser in 2003 with its principal place of business located in Pasadena, CA. As of 12/31/2019, we were actively managing \$172,438,318 of clients' assets on a non-discretionary basis.

Wescom Financial offers the following advisory services to our clients:

- ADVISORY REFERRAL SERVICES
- ADVISOR DIRECTED PORTFOLIO MANAGEMENT SERVICES

### **ADVISORY REFERRAL SERVICES**

Wescom Financial Services acts as a solicitor on behalf of various independent registered investment advisers. Based on a client's individual circumstances and needs, we will assist the client in determining which independent adviser's portfolio management services are appropriate for that client. Factors considered in making this determination, including account size, risk tolerance, and a client's investment experience, are discussed during our consultation with the client.

Wescom Financial Services Advisor Representatives will meet with the client on a regular basis, or as determined by the client, to review the account. We will, when needed, suggest changes in the client's portfolio ("rebalancing"), to more effectively address each client's goals. The client may then instruct the independent adviser to make any or all of the changes we recommended. These recommendations are our own, and are neither recommended nor approved by any independent advisers.

Any rebalancing of the portfolio is done with the client's approval, and will be reviewed and implemented by the independent investment adviser. At the time of conducting the advisory solicitation, Wescom Financial Services will ensure that all federal and/or state specific requirements governing solicitation activities shall be met.

We currently solicit clients to participate in the following third-party asset management programs:

- SEI Advisory program
- AssetMark
- Investnet Managed Account Solutions

The SEI Advisory program ("SEI") is an investment advisory program available to clients through arrangements SEI has with Wescom Financial Services. As of 12/31/2019 we oversee \$89,869,054 of assets on a non-discretionary basis through this program.

Clients will complete account opening paperwork, including a risk tolerance questionnaire, which will help the Advisor Representative in selecting an appropriate mutual fund implementation strategy for the client. Once the client has selected a mutual fund implementation strategy, SEI will manage the client's assets allocated to the strategy on a discretionary basis within the client's selected strategy.

Client meetings are available on a regular basis, or as determined by the client, to review the account. We meet with the client to review and update, as necessary, the client's strategy. However, should there be any material change in the client's personal and/or financial situation, we should be notified immediately to determine whether any review and/or revision of the client's strategy is warranted.

Clients should also refer to SEI's disclosure document (Form ADV Part 2) for a full description of the services offered in this program.

Should the client's individual situation change, the client should notify Wescom Financial Services, who will assist the client in revising the current portfolio and/or re-evaluate their financial situation to determine if a different model portfolio would be appropriate to the client's new situation.

Clients should also refer to SEI's disclosure document (Form ADV Part 2) for a full description of the services offered in the SEI Mutual Fund Program.

### **ASSETMARK**

We also offer advisory management services to our clients through AssetMark. As of 12/31/2019, we managed \$76,358,537 of assets on a non-discretionary basis through this program.

Our firm provides the client with an asset allocation strategy developed through personal discussions in which goals and objectives based on the client's particular circumstances are established. This asset allocation strategy is drafted into the client's Personal Investment Policy Statement ("PIPS").

When consistent with a client's PIPS and needs, we may recommend the use of AssetMark registered Investment Advisers and the sponsors of mutual fund asset allocation programs. AssetMark has contracted with a number of institutional investment management firms ("Strategists") to create a variety of asset allocation models and has identified a broad range of no-load or load mutual funds, annuities, or separate account managers for the Strategists to use in these models. The asset allocation programs are designed as a means for us to tailor the portfolio design services of the Strategists to the client's individual needs. We are not affiliated with AssetMark or any of the Strategists that participate in their program.

The Strategists will monitor the performance of the mutual funds, annuities, or separate account managers, in their model portfolios and will periodically adjust and rebalance the portfolio in accordance with their investment strategies and informing us of any changes in the model portfolio.

We will analyze the Strategists' model portfolio decisions on behalf of the client and determine if these decisions should be used to rebalance the client's portfolio based on that analysis and the client's individual goals and objectives. Clients should refer to the disclosure document (Part 2A of Form ADV or Appendix 1 of Form ADV Part 2A) of AssetMark for detail on the advisory services offered by AssetMark.

We assist the client in identifying a Strategist whose investment philosophy and model portfolio most closely match the client's state investment objectives and risk tolerances. We will meet with the client at least annually, but will be reasonably available to consult with clients on a regular basis.

### **ENVESTNET'S MANAGED ACCOUNT SOLUTIONS PROGRAM**

As of June 01, 2012, we have added Envestnet Managed Account Solutions (hereinafter, "Envestnet") program to our suite of services. As of 12/31/2019 we have managed \$6,210,727 of assets on a non-discretionary basis through this program.

Through the Envestnet program we offer our clients access to a range of investment management services. These services consist of two general types: model asset allocation portfolios and separately managed accounts. In the first type, Envestnet will manage client accounts through a selection of proprietary model asset allocation portfolios positioned at various points along the risk/return spectrum. Each model portfolio is designed to meet a particular investment goal and will be managed based on the goals of the portfolio rather than the individual circumstances of any client account. Depending upon the service, the model portfolios may typically contain either mutual funds or exchange-traded funds (“ETFs”). In some instances Wescom Financial Services may develop, recommend and maintain customized models using the research conducted by Envestnet. These model portfolio(s) will be offered as an option to certain clients as appropriate and Envestnet will manage these accounts based on the goals of the customized portfolios rather than the individual circumstances of any client.

In the second type of service, Envestnet offers clients access to an actively managed investment vehicle chosen from a roster of independent asset managers (each a “Sub-Manager”) from a variety of investment disciplines. Unlike a mutual fund, where the funds are commingled, a separately managed account is a portfolio of individually owned securities that can be tailored to fit a client’s investment preferences. Envestnet has performed due diligence on sets of Sub-Managers and makes these Sub-Managers available to clients through the Program. Depending upon the service, Envestnet or Wescom Financial Services will assist the client in determining an appropriate asset allocation among the available Sub-Managers based on the investment style and asset classes employed by the Sub-Managers.

For all services, Wescom Financial Services and the client will compile pertinent financial and demographic information to develop a personal investment policy that will meet the client’s goals and objectives. The client’s information is then forwarded to Envestnet for review. Envestnet will analyze the information and recommend an appropriate investment strategy based on the client’s needs and objectives, time horizon, risk tolerance and any other pertinent factors. Among the factors considered in designing these strategies are historical rates of risk and return for various asset classes, correlation across asset classes and risk premiums. Envestnet will then propose an overall strategy that includes asset allocation and investment portfolio recommendations for the asset classes. Wescom Financial Services will then assist the client with selecting the appropriate service based on the individual needs of the client and Envestnet’s analysis and recommendations.

On an ongoing basis, we will monitor the performance of Envestnet and the Sub-Managers, as applicable. If we determine that a particular service or Sub-Manager is not providing sufficient services to the client, or is not managing the client's portfolio in a manner consistent with that client's personal investment policy, then we will suggest that the client move their account to a different service and/or Sub-Manager. Under this scenario, our firm assists the client in selecting a new service or Sub-Manager. However, any such move is solely at the discretion of the client.

At least annually, the Wescom Financial Services Advisor Representative will meet with the client to review and update, as necessary, the client's personal investment policy. However, should there be any material change in the client’s personal and/or financial situation, we should be notified immediately to determine whether any review and/or revision of the client’s personal investment policy is warranted.

Clients will receive a separate disclosure document (Form ADV Part 2) prepared by Envestnet describing in detail the services offered within the Program. Clients are encouraged to review the disclosure document to learn more about the particular characteristics of each of the services offered within the Program, including whether they may impose restrictions on the investment in certain securities or types of securities.

### **ADVISOR DIRECTED PORTFOLIO MANAGEMENT SERVICES**

Wescom Financial Services provides portfolio management services to clients using model asset allocation portfolios. This program is offered through the Envestnet platform. Each model portfolio is designed and maintained by a Wescom Financial Services Advisor Representative to meet a particular investment goal.

We manage these advisory accounts on a non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Through personal discussions with the client in which the client's goals and objectives are established, we determine which model portfolio is suitable to the client's individual circumstances. Once we determine the suitability of the portfolio, the portfolio is managed based on the portfolio's goal, rather than on each client's individual needs. Clients, nevertheless, have the opportunity to place reasonable restrictions on the types of investments to be held in their account. Clients retain individual ownership of all securities.

All of the model portfolios in this program are managed by Wescom Financial Services through the Envestnet platform. Each model portfolio will typically contain either mutual funds or exchange-traded funds ("ETFs"). Wescom Financial Services will develop, recommend and maintain these model portfolios including the timing of the rebalancing of the model portfolios.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will:

1. send quarterly written reminders to each Advisor Directed Portfolio Management Services client requesting any updated information regarding changes in the client's financial situation and investment objectives;
2. at least annually, contact each participating client to determine whether there have been any changes in the client's financial situation or investment objectives, and whether the client wishes to impose investment restrictions or modify existing restrictions;
3. be reasonably available to consult with the client; and
4. maintain client suitability information in each client's file.

Clients will receive a separate disclosure document (Form ADV Part 2) prepared by Envestnet describing in detail the services offered in conjunction with this Program. Clients are encouraged to review the disclosure document to learn more about the particular characteristics of each of the services offered within the Program, including whether they may impose restrictions on the investment in certain securities or types of securities.

All material conflicts of interest are disclosed, throughout this document, regarding Wescom Financial Services, our representatives and any employees, which could be reasonably expected to impair the

rendering of unbiased and objective advice.

## **Item 5 Fees and Compensation**

### **ADVISORY REFERRAL FEES**

We do not enter into an advisory agreement with any client nor do we charge a fee to any client for referrals to other independent Advisers. Fees for such referrals are paid by other Advisers as a percentage of the fees the other Advisers receive from the client. Client advisory fees are not increased in any way as a result of our referral of any clients to other Advisers. We typically receive an annual fee of up to 1.25% of the client's assets under management by the independent Advisers.

Clients will receive a separate disclosure document describing the fee paid to us by the other Advisers. Clients should refer to the other Advisers' disclosure document for information regarding its fees, billing practices, minimum required investments and termination of advisory agreements.

### **OTHER COMPENSATION**

Management personnel and other related persons of our firm are licensed as registered representatives of our broker-dealer and, acting in that capacity, they can implement transactions for our advisory clients. In so doing, these individuals will earn separate compensation in the form of commissions and/or 12b-1 fees (trail fees earned from the sale of mutual funds and/or ETFs). These commission fees represent more than half of our firm's annual revenue.

While these individuals endeavor at all times to put the interest of the clients first as part of Wescom Financial Services fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations.

### **GENERAL INFORMATION**

***Termination of the Advisory Relationship.*** A client will have a period of five (5) business days from the date of signing the investment advisory agreement to unconditionally rescind the agreement and receive a full refund of all fees. Thereafter, either party may terminate the investment advisory agreement with 30 days written notice. Upon termination, fees will be prorated to the date of termination and the unearned portion of the fee will be refunded to the client.

***Mutual Fund Fees.*** All fees paid to Wescom Financial Services for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

***Separately Managed Account Fees.*** Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients.

***Additional Fees and Expenses.*** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

***ERISA Accounts.*** In the event Wescom Financial Services is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Wescom Financial may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset Wescom Financial Services advisory fees.

***Limited Prepayment of Fees.*** Under no circumstances do we require or solicit payment of fees in excess of \$500 more than six months in advance of services rendered.

***Advisory fees in general.*** Subsection (j) of Rule 260.238, California Code of Regulations requires that all investment advisers disclose to their advisory clients that lower fees for comparable services may be available from other sources.

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

Wescom Financial Services does not charge performance-based fees.

## **Item 7 Types of Clients**

Wescom Financial provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High Net Worth Individuals
- Corporations or other businesses not listed above

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

### METHODS OF ANALYSIS

Wescom Financial Services third-party advisers may use the following methods of analysis in formulating our investment advice and/or managing client assets:

**Fundamental Analysis.** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Risks for all forms of analysis.** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, 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.

### INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-term purchases.** We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want 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 decision to sell.

**Short-term purchases.** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

**Risk of Loss.** Securities investments, including mutual funds are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

## Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

## Item 10 Other Financial Industry Activities and Affiliations

As disclosed above in Item 4, Wescom Financial Services is also a FINRA-member broker dealer, and many of our management persons and other employees are registered representatives of Wescom Financial Services. Please see the disclosure in Item 5 for information regarding this relationship and the applicable conflicts of interest.

Further, Wescom Financial Services is a wholly owned subsidiary of Wescom Central Credit Union. Wescom Central Credit Union is a member-owned state chartered credit union. Through Wescom Financial Services is under common ownership and control with the following other financial institutions and non-financial businesses (referred to collectively with WCCU as the “Related Companies”):

- Wescom Financial Services, LLC
- Wescom Insurance Services, LLC
- Wescom Resources Group, LLC
- CUSO Mortgage Inc.

Where appropriate, Wescom Financial Services and its employees will recommend the various investment-related and non-investment services of the Related Companies to its advisory clients. The Related Companies and their employees may also recommend the investment advisory services of Wescom Financial Services to their customers. The services provided by the Related Companies are separate and distinct from the advisory services of Wescom Financial Services, and are provided for separate and additional compensation.

Clients should be aware that the recommendation of the services of the Related Companies by Wescom Financial Services and its management persons or employees creates a conflict of interest that may impair the objectivity of Wescom Financial Services and these individuals when making advisory recommendations. Wescom Financial Services endeavors at all times to put the interest of its clients first as part of its fiduciary duty as a registered investment adviser and takes the following steps to address this conflict:

- Wescom Financial Services discloses to clients the existence of all material conflicts of interest, including, where applicable, the potential for Wescom Financial Services and its employees to earn compensation from advisory clients in addition to Wescom Financial Services advisory fees;
- Wescom Financial Services discloses to clients that they are not obligated to purchase recommended investment products or other services from Wescom Financial Services employees or Related Companies;
- Wescom Financial Services collects, maintains and documents accurate, complete and relevant client background information, including the client’s financial goals, objectives and risk tolerance;
- Wescom Financial Services management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client’s needs and circumstances; and
- Wescom Financial Services educates its employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

As previously disclosed above in Item 4, Wescom Financial Services may recommend the services of various registered investment advisers to its clients. In exchange for this recommendation, Wescom Financial Services may receive a referral fee from the selected investment adviser. The fee received by Wescom Financial Services is typically a percentage of the fee charged by that investment adviser to the referred client. Depending upon the selected investment adviser, the portion of the advisory fee paid to Wescom Financial Services may increase the total advisory fee paid to the selected investment adviser by the client. Clients should refer to the disclosure document (Form ADV Part 2) of the selected investment adviser for more detailed information on advisory fees charged by that adviser.

Wescom Financial Services is aware of the special considerations required under Rule 206(4)-3 of the Investment Advisers Act of 1940 and similar state rules regarding the payment and receipt of solicitation fees. As such, all appropriate disclosure shall be made and all applicable State and Federal laws will be observed.

Clients should be aware that the receipt of this referral fee by Wescom Financial Services creates a conflict of interest that may impair the objectivity of Wescom Financial Services and its employees when making advisory recommendations. Wescom Financial Services endeavors at all times to put the interest of its clients first as part of its fiduciary duty as a registered investment adviser and takes the following steps to address this conflict:

- Wescom Financial Services discloses to clients the existence of all material conflicts of interest, including the potential for Wescom Financial Services to earn compensation from the referral of clients to other registered investment advisers;
- Wescom Financial Services discloses to the client the compensation it receives in exchange for the client's referral to the selected investment adviser;
- Wescom Financial Services collects, maintains and documents accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- Wescom Financial Services management conducts regular reviews of each client account to verify that all recommendations made to a client by its employees are suitable to the client's needs and circumstances;
- Wescom Financial Services conducts initial and periodic due diligence on the selected investment advisers to establish that the advisers are suitable to recommend to its clients; and
- Wescom Financial Services educates its employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Wescom Financial Services and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Our code also provides for oversight, enforcement and recordkeeping provisions.

Wescom Financial Services Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [wfstraders@wescom.org](mailto:wfstraders@wescom.org), or by calling us at (888) 493-7266, extension 5104.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm are separately registered as securities representatives of a broker-dealer. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

## **Item 12 Brokerage Practices**

Wescom Financial Services does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.

As our firm does not have the discretionary authority to determine the broker-dealer to be used or the commission rates to be paid, clients must direct Wescom Financial Services as to the broker-dealer to be used.

As a matter of policy and practice, Wescom Financial Services does not generally block client trades and, therefore, we implement client transactions separately for each account. Consequently, certain client trades may be executed before others, at a different price and/or commission rate. Additionally, our clients may not receive volume discounts available to advisers who block client trades.

### **ADVISORY REFERRAL SERVICES**

Wescom Financial Services does not execute securities transactions on behalf of client accounts in Third Party Manager Programs. Clients in these programs should review the disclosure documents (Form ADV Part 2) of the applicable program and/or the selected independent investment advisers for information regarding their brokerage policies, practices and recommendations.

Clients should be aware that best execution and lower commissions may not necessarily be achieved if recommended transactions are placed through Wescom Financial Services.

## **Item 13 Review of Accounts**

### **ADVISORY REFERRAL SERVICES**

**REVIEWS:** Reviews by the third-party managers and program sponsors will be specifically outlined in the advisory agreement(s) signed between the client and third-party adviser and sponsor.

Wescom Financial Services Advisor Representatives will monitor the performance of the third-party advisers selected to manage client's portfolios within the programs and formally review these accounts at least annually. Accounts are reviewed in the context of each client's stated investment objectives and

guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by: A firm Principal at a minimum annually.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer or custodian, WCCU provides monthly reports summarizing account performance, balances and holdings.

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

It is Wescom Financial Services policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is Wescom Financial Services policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

## **Item 15 Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm receives its fee from the third-party advisers and sponsors of the programs. Wescom does not deduct any fees for its services separately and is not responsible of calculating the advisory fees paid in connection with these programs.

Our firm does not have actual or constructive custody of client accounts.

## **Item 16 Investment Discretion**

As previously disclosed in Item 4 of this brochure, our firm does not provide discretionary asset management services.

## **Item 17 Voting Client Securities**

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We do not offer any consulting assistance regarding proxy issues to clients.

## **Item 18 Financial Information**

Under no circumstances do we require or solicit payment of fees in excess of \$500 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. Wescom Financial Services has no additional financial circumstances to report.

Wescom Financial Services has not been the subject of a bankruptcy petition at any time during the past ten years.

## **Item 19 Requirements for State-Registered Advisers**

The following individuals are the principal executive officers and management persons of Wescom Financial Services:

- Jonathon Allen, President
- Diana Nash, Chief Compliance Officer

Information regarding the formal education and business background for each of these individuals is provided in their respective Brochure Supplements.

Please refer to Item 10, "Other Financial Industry Activities and Affiliations", for information regarding other business activities of the firm and its management personnel.

### **Disciplinary events**

WFS is required to disclose all material facts regarding certain legal or disciplinary events pertaining to arbitration awards or other civil, regulatory or administrative proceedings in which the firm or management personnel were found liable or against whom an award was granted.

WFS and its management personnel have no reportable disciplinary events to disclose.

As previously disclosed in "Other Financial Industry Activities and Affiliations" (Item 10), neither Wescom Financial Services nor our management personnel have a relationship or arrangement with any issuer of securities.

### **Material conflicts**

WFS has not identified any material conflicts of interest as defined under CCR Section §260.238(k) to be disclosed regarding WFS, its representatives and any employees, which could be reasonably expected.

Pursuant to CCR Section §260.235.2, if a conflict exists between the interests of the investment adviser or associated persons and the interest of the client, the client is under no obligation to act upon the investment adviser's or associated person's recommendation. If the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through the investment adviser, the associated person when the person is an agent with a licensed broker/dealer or through any associate or affiliate of such person.