

# Item 1: Cover Page



## Wealth-Source Financial, LLC

5769 Adeline Street  
Oakland, CA 94608

### **Form ADV Part 2A – Firm Brochure**

(415) 202-3820

<https://wealth-sourcefinancial.com>

Dated March 17, 2023

This Brochure provides information about the qualifications and business practices of Wealth- Source Financial, LLC, “WSF” or “Wealth-Source”. If you have any questions about the contents of this Brochure, please contact us at (415) 202-3820. 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.

Wealth-Source Financial, LLC is registered as an Investment Adviser with the State of California.

Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about WSF is available on the SEC’s website at

[www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the firm’s identification number 300055.

## Item 2: Material Changes

The last annual update of this Brochure was filed on March 17, 2022. The following changes have been made to this version of the Disclosure Brochure:

- Item 19 in ADV Part 2: Certified Divorce Financial Analyst
- Item 19: Other Business Activities

**Future Changes.** From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary or Material Changes shall be provided to each Client annually and if a material change occurs in the business practice of Wealth-Source.

Any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for our firm name or by our CRD number 300055.

You may also request a copy of this Disclosure Brochure at any time, by contacting us at 415-202-3820.

# Item 3: Table of Contents

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# Item 4: Advisory Business

## **Description of Advisory Firm**

Wealth-Source Financial, LLC is registered as an Investment Adviser with the State of California. We were founded in August of 2018. Rosario Chacon is the principal owner of WSF. WSF currently reports discretionary or no non-discretionary Assets Under Management. Assets Under Management were calculated as of December 31, 2022.

## **Types of Advisory Services**

### **Investment Management Services**

We are in the business of managing individually tailored investment portfolios. Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation targets. We may also review and discuss a client's prior investment history, as well as family composition and background. Account supervision is guided by the stated objectives of the client (e.g., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Fees pertaining to this service are outlined in Item 5 of this brochure.

### **Use of Third-Party Managers, Outside Managers, or Sub-Advisors (TAMPs)**

We offer the use of Third-Party Managers, Outside Managers, or Sub-Advisors (TAMPs) for portfolio management services. We assist clients in selecting an appropriate allocation model, completing the Outside Manager's investor profile questionnaire, interacting with the Outside Manager and reviewing the Outside Manager. Our review process and analysis of outside managers is further discussed in Item 8 of this Form ADV Part 2A. Additionally, we will meet with the client on a periodic basis to discuss changes in their personal or financial situation, suitability, and any new or revised restrictions to be applied to the account. Fees pertaining to this service are outlined in Item 5 of this brochure.

### **XY Investment Solutions ("XYIS")**

XY Investment Solutions ("XYIS") builds investment models through a technology solution and supports financial planners with investment strategies based on research, experience, and sound rationale. XYIS primarily allocates client assets among various mutual funds, exchange-traded funds ("ETFs"). XYIS may also allocate client assets in individual debt and equity securities, options, and independent investment managers. XYIS's services are based on long-term investment strategies incorporating the principles of Modern Portfolio Theory. XYIS manages client investments in model portfolios on a discretionary basis.

### **Financial Planning**

We provide financial planning services on topics such as retirement planning, risk management, college savings, cash flow, debt management, work benefits, and estate and incapacity planning.

Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values, and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information, and analysis will be considered as they affect and are affected by the entire financial and life situation of the client. Clients purchasing this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern. The client and advisor will work together to select the specific areas to cover. These areas may include, but are not limited to, the following:

- **Student Loan Repayment Planning:** We review and analyze your student loans. This involves knowing your current situation, including income, taxes, marital status, and near-future plans. Reviewing important factors will help us find the right repayment plan(s) that align to your goals so that you can continue growing into your personal and professional life.
- **Business Planning:** We provide consulting services for clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.
- **Cash Flow and Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.
- **College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).
- **Employee Benefits Optimization:** We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.
- **Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, whether you have a will, powers of attorney, trusts, and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts. We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your

attorney, with your approval or request.

- **Financial Goals:** We will help clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.
- **Insurance:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home, and automobile.
- **Investment Analysis:** This may involve developing an asset allocation strategy to meet clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.
- **Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, taking more risk with investments). If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.
- **Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance ("self-insuring").
- **Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their "tax efficiency," with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

We recommend that you consult with your qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants, or attorneys, who specialize in this area if you wish to hire someone else for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

- **Tax Preparation:** As a client of Wealth-Source Financial, you may choose to hire us for your tax filing. Your financial advisor understands your total financial situation and having an advisor who is also a federally licensed tax practitioner adds great value on your decisions about your investments and financial planning.

### **Comprehensive Financial Planning**

This service involves working one-on-one with a planner over an extended period of time. By paying a fixed

monthly fee, clients get to work with a planner who will work with them to develop and implement their plan. The planner will monitor the plan, recommend any changes and ensure the plan is up to date. Upon desiring a comprehensive plan, a client will be taken through establishing their goals and values around money. They will be required to provide information to help complete the following areas of analysis: net worth, cash flow, insurance, credit scores/reports, employee benefit, retirement planning, insurance, investments, college planning and estate planning. Once the client's information is reviewed, their plan will be built and analyzed, and then the findings, analysis and potential changes to their current situation will be reviewed with the client. Clients subscribing to this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives. If a follow-up meeting is required, we will meet at the client's convenience. The plan and the client's financial situation and goals will be monitored throughout the year and follow-up phone calls and emails will be made to the client to confirm that any agreed upon action steps have been carried out. On an annual basis, there will be a full review of this plan to ensure its accuracy and ongoing appropriateness. Any needed updates will be implemented at that time.

**Student Loan Repayment Planning**

Student Loan Repayment Planning fees range from \$750 to \$1,800 for recent graduates – up to three years, depending on if they are a single individual or a couple and if the services would include financial planning. For non-recent graduates, prices start at \$1,250 and increment depending on complexity and scope, but no more than \$4,200.

**Financial Planning Hourly Fee**

Financial Planning fee is an hourly rate between \$250.00 and \$350.00 per hour, depending on complexity and needs of the client. The fee may be negotiable in certain cases and is due at the completion of the engagement. In the event of early termination by the client, any fees for the hours already worked will be due. Fees for this service may be paid by electronic funds transfer or check.

**Project Based Financial Planning**

Upon occasion, clients may need or want to work on certain aspects of Financial Planning. This will generally be offered on a fixed fee basis. The fixed fee will be agreed upon before the start of any work. The fixed fee can range between \$2,500.00 and \$5,000.00, based on the complexity and scope of the engagement. Clients can choose the services to be provided:

- |                                   |                           |
|-----------------------------------|---------------------------|
| ■ Student Loan Repayment Planning | ■ Business Planning       |
| ■ Cash Flow and Debt Management   | ■ Insurance Review        |
| ■ College Savings                 | ■ Investment Analysis     |
| ■ Employee Benefits Optimization  | ■ Retirement Planning     |
| ■ Estate Planning                 | ■ Risk Management         |
| ■ Financial Coaching              | ■ Tax Planning Strategies |
|                                   | ■ Tax Preparation         |

## **Financial Coaching**

Financial coaching integrates psychology and behavioral finance to improve personal financial well-being. We address techniques to manage cash flow, implement better savings and consider healthy, educated investments for the long-term. This service is ideal for recent graduates and for those who want to make changes on their current financial situation.

Financial Coaching fee is an hourly rate of \$250.00. The fee may be negotiable in certain cases, such as signing up for a bundle package, and the payment is due at the completion of the engagement, except when purchased in bundle. In the event of early termination by the client, any fees for the hours already worked will be due; any missed meetings without 24 hours of advanced notice will be charged to the client. Fees for this service may be paid by electronic funds transfer or check.

## **Online Courses**

WSF occasionally creates online courses that are sold through third-party online course platforms to the general public. Topics may include behavioral finance, employee benefits elections, or retirement strategies. WSF courses are educational in nature and do not involve the sale of insurance or investment products. Information presented will not be based on any person's need nor do we provide individualized investment advice to attendees during our general sessions.

## **Webinars**

WSF provides occasional webinars. Topics may include behavioral finance, employee benefits elections, or retirement strategies. WSF courses are educational in nature and do not involve the sale of insurance or investment products. Information presented will not be based on any person's need nor do we provide individualized investment advice to attendees during our general sessions.

## **Educational Seminars and Speaking Engagements**

We may provide seminars on an "as announced" basis for groups seeking general advice on investments and other areas of personal finance. The content of these seminars will vary depending upon the needs of the attendees. These seminars are purely educational in nature and do not involve the sale of any investment products. Information presented will not be based on any individual's person's need, nor does WSF provide individualized investment advice to attendees during these seminars.

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

We offer the same suite of services to all of our clients. However, specific client financial plans 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) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

## **Wrap Fee Programs**

We do not participate in wrap fee programs.

## **CCR Section 260.235.2 Disclosure**

For clients who receive our Financial Planning services, we must state when a conflict exists between the interests of our firm and the interests of our client. The client is under no obligation to act upon our recommendation. If the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through our firm.



# Item 5: Fees and Compensation

Please note, unless a client has received the firm’s disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the client within five (5) business days of signing the contract without incurring any advisory fees. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

## Investment Management Services

Our standard advisory fee is based on the market value of the assets under management and is calculated as follows:

Account Value	Annual Advisory Fee
\$0 - \$300,000 (for individuals) \$0 - \$420,000 (for couples)	1.50%
\$300,001 - \$1,000,000 (for individuals) \$420,001 - \$1,000,000 (for couples)	1.00%
\$1,000,001 - \$1,500,000	0.95%
\$1,500,001 - \$2,000,000	0.90%
\$2,000,001 - \$4,000,000	0.85%
\$4,000,001 - \$6,000,000	0.75%
\$6,000,001 and up	0.60%

Investment Management is included in comprehensive financial planning for individuals with less than \$300,000 in assets under management and couples with less than \$420,000 in assets under management.

The annual fees may be negotiable and are pro-rated and paid in arrears on a monthly basis. The advisory fee is a straight tiered fee and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart and applying the fee to the account value as of the last day of the previous quarter. No increase in the annual fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement.

Advisory fees are directly debited from client accounts, or the client may choose to pay by check. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no rebate will be needed upon termination of the account.

### **Use of Third Party Managers, Outside Managers, or Sub-Advisors (TAMPs)**

The standard advisory fee is based on the market value of the account and is calculated as follows:

Account Value	Annual Advisory Fee
\$0 - \$100,000	1.50%
\$100,001 - \$500,000	1.30%
\$5,00,001 - \$1,000,000	1.25%
\$1,000,001 and Above	1.15%

The annual fees may be negotiable and are pro-rated and paid in arrears on a monthly basis. The Outside Manager will debit the client's account for both the Outside Manager's fee, and WSF's advisory fee, and will remit WSF's fee to WSF. Please note, the above fee schedule does include the Outside Manager's fee. No increase in the annual fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement.

Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no rebate will be needed upon termination of the account.

Please note, the above fee schedule does include the Outside Manager's fee. No increase in the annual fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement.

### **Comprehensive Financial Planning**

Comprehensive Financial Planning consists of an upfront charge of \$1,000.00 and an ongoing fee that is paid monthly, in advance, at the rate of \$250.00 per month for individuals and \$350.00 per month for couples. The fee may be negotiable in certain cases. Fees for this service may be paid by electronic funds transfer or check. This service may be terminated with 30 days' notice. Upon termination of any account, the fee will be prorated, and any unearned fee will be refunded to the client.

The upfront portion of the Comprehensive Financial Planning fee is for client onboarding, data gathering, and setting the basis for the financial plan. This work will commence immediately once the fee is paid and will be completed within the first 30 to 90 days of the date the fee is paid, depending on how soon the client submits the plan needed information to the Adviser. Therefore, the upfront portion of the fee will not be paid more than 6 months in advance.

Investment Management is included in comprehensive financial planning for individuals with less than \$300,000 in assets under management and couples with less than \$420,000 in assets under management.

### **Project Based Financial Planning**

Financial Planning will generally be offered on a fixed fee basis. The fixed fee will be agreed upon before the start of any work. The fixed fee can range between \$2,500.00 and \$5,000.00, based on the complexity and scope of the engagement. The fee is negotiable. If a fixed fee program is chosen, half of the fee is due at the

beginning of the process and the remainder is due at completion of work, however, WSF will not bill an amount above \$500.00 more than 6 months in advance. Fees for this service may be paid by electronic funds transfer or check.

Upon termination, the half of the fee that is due up front will be non-refundable, and no further fees will be charged.

We require that clients offer pertinent documents timely, and the project be finalized within 90 days upon signing the agreement, as required by regulators. If the project complexity or the client anticipates this timeline unattainable, it may be pertinent to sign a one-year agreement to comply with regulations.

### **Financial Coaching**

Financial Coaching fee is an hourly rate of \$250.00. The fee may be negotiable in certain cases, such as a bundle package, and the payment is due at the completion of the engagement, except when purchased in bundle. If a fixed fee program is chosen, half of the fee is due at the beginning of the process and the remainder is due at every month in equal payments, however, WSF will not bill an amount above \$500.00 more than 6 months in advance.

Any missed meetings without 24 hours of advance notice will be charged to the client. In the event of early termination by the client, any fees for the hours already worked will be due. Fees for this service may be paid by electronic funds transfer or check.

### **Online Courses**

Online courses, as hosted on third-party online-course platforms, will cost between \$30 and \$250 per attendee, depending on the length and complexity of the course, the deliverables provided, and the involvement of other professionals in the creation and presentation of the course. The fee is collected, via electronic transfer, prior to the webinar. The fee is not negotiable.

### **Webinars**

WSF provides occasional webinars. Webinars can be offered free, \$10 per attendee, up to \$1,500, depending on the complexity of the preparation and the deliverables provided. The fee is collected generally collected after the completion of the webinar. If the fee is collected prior to attendance, it is not reimbursable if the attendee misses the webinar.

### **Educational Seminars/Speaking engagements**

Seminars are offered to organizations and the public on a variety of financial topics. Fees range from free to \$4,500 per seminar or free to \$300 per participant. Half of the fees are due prior to the engagement, and the other half are to be paid the day of, no later than the conclusion of the Seminar. The fee range is based on the content, amount of research conducted, number of hours of preparation needed, and the number of attendees. In the event of inclement weather or a flight cancellation, the Speaker shall make all reasonable attempts to make alternative travel arrangements to arrive in time for the presentation. If travel proves impossible, or the event is otherwise canceled, the Speaker's fee is waived, but the Client will still be responsible for reimbursement of any non-refundable travel expenses already incurred.

In the event that the Client decides to cancel or change the date of the event for any reason besides weather or similar unforeseen causes, the Client will still be responsible for reimbursement of any non-refundable travel expenses already incurred, and will provide payment for 60% of the Speaker's fee if the cancellation occurs within 30 days of the event (100% if within 72 hours). In the event that the Speaker must cancel due to health or similar unforeseen circumstances, the Speaker will make all attempts to find a reasonable alternative engagement date and will absorb any incremental additional costs for obtaining alternative travel arrangements. If an alternative date cannot be obtained, the Client will not be responsible for any travel costs already incurred by the Speaker or any portion of the Speaker's fee.

### **Speaking Engagements**

Rosario Chacon is a public speaker. Generally, fees for her speaking engagements range from free to \$5,000 plus travel expenses, depending on sponsor, date, location, and program requested. For all speeches, 75% of the balance is due before the event and the remaining balance due at the conclusion of the event. Half of the fees are due prior to the engagement, and the other half are to be paid the day of, no later than the conclusion of the Seminar. The fee range is based on the content, amount of research conducted, number of hours of preparation needed, and the number of attendees. The content is based on topics that are currently relevant in the financial planning environment.

In the event of inclement weather or a flight cancellation, the Speaker shall make all reasonable attempts to make alternative travel arrangements to arrive in time for the presentation. If travel proves impossible, or the event is otherwise canceled, the Speaker's fee is waived, but the Client will still be responsible for reimbursement of any non-refundable travel expenses already incurred. In the event that the Client decides to cancel or change the date of the event for any reason besides weather or similar unforeseen causes, the Client will still be responsible for reimbursement of any non-refundable travel expenses already incurred, and will provide payment for 50% of the Speaker's fee if the cancellation occurs within 30 days of the event. In the event that the speaker must cancel due to health or similar unforeseen circumstances, the Speaker will make all attempts to find a reasonable alternative engagement date and will absorb any incremental additional costs for obtaining alternative travel arrangements. If an alternative date cannot be obtained, the Client will not be responsible for any travel costs already incurred by the Speaker or any portion of the Speaker's fee.

Educational Seminars and Speaking Engagements may be provided pro-bono at WSF's discretion.

### **Other Types of Fees and Expenses**

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual fund and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for client's transactions and determining the reasonableness of their compensation (e.g., commissions).

We do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

**CCR Section 260.238(j) Disclosure**

Please note, lower fees for comparable services may be available from other sources.

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

We do not offer performance-based fees and do not engage in side-by-side management.

## Item 7: Types of Clients

We provide financial planning and portfolio management services to individuals and high net- worth individuals.

Our minimum account size requirement is \$50,000 for individuals and \$75,000 for couples.

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

Our primary method of investment analysis is the Monte Carlo Simulation.

**Monte Carlo Simulation:** The use of a Monte Carlo Simulation, a technique used to understand the impact of risk and uncertainty in financial and other forecasting models can help visualize most or all of the potential outcomes to have a better idea regarding the risk of a decision.

However, a systematic risk - these are market risks that cannot be diversified away - can affect the forecasted outcome even when a portfolio is diversified. Some systematic risks include interest rates, recessions and political instability.

**Use of Outside Managers:** We refer clients to third-party investment advisers ("outside managers"). Our analysis of outside managers involves the examination of the experience, expertise, investment philosophies, and past performance of the outside managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's

underlying holdings, strategies, concentrations, and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks. A risk of investing with an outside manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in an outside manager's portfolio. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

### **Passive Investment Management**

We primarily practice passive investment management. Passive investing involves building portfolios that are comprised of various distinct asset classes. The asset classes are weighted in a manner to achieve the desired relationship between correlation, risk, and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically index mutual funds or exchange traded funds.

Passive investment management is characterized by low portfolio expenses (i.e. the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

In contrast, active management involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated benchmark. Academic research indicates most active managers underperform the market.

### **Material Risks Involved**

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Strategy Risk:** The Adviser's investment strategies and/or investment techniques may not work as intended.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the client's portfolio.

**Turnover Risk:** At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

**Limited markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions we may be unable to sell or liquidate investments at prices we consider reasonable or favorable or find buyers at any price.

**Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

**Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

**Inflation:** Inflation may erode the buying power of your investment portfolio, even if the dollar value of your investments remains the same.

### **Risks Associated with Securities**

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

**Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

**Exchange Traded Funds** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected. ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which client's invest.

**Investment Companies Risk.** When a client invests in open-end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

## Item 9: Disciplinary Information

### **Criminal or Civil Actions**

WSF and its management have not been involved in any criminal or civil action.

### **Administrative Enforcement Proceedings**

WSF and its management have not been involved in administrative enforcement proceedings.

### **Self-Regulatory Organization Enforcement Proceedings**

WSF and its management have not been involved in legal or disciplinary events that are material to a client's or prospective client's evaluation of WSF or the integrity of its management.



# Item 10: Other Financial Industry Activities and Affiliations

No WSF employee is registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No WSF employee is registered, or have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

WSF does not have any related parties. As a result, we do not have a relationship with any related parties.

WSF only receives compensation directly from clients. We do not receive compensation from any outside source. We do not have any conflicts of interest with any outside party.

WSF provides a selection of other advisers for clients, specifically XY Investment Solutions (XYIS). Prior to the selection of this adviser, WSF ensured that was properly licensed or registered as an investment adviser.

## **Disclosure of Material Conflicts**

All material conflicts of interest under CCR Section 260.238(k) are disclosed regarding WSF, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

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

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each client. Our clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc., and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

## **Code of Ethics Description**

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to clients.
- Competence - Associated persons shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matter shall reflect the credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide of a copy of its Code of Ethics to any client or prospective client upon request.

### **Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest**

Neither our firm, its associates or any related person is authorized to recommend to a client or effect a transaction for a client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

### **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

Our firm and its “related persons” may buy or sell securities similar to, or different from, those we recommend to clients for their accounts. In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates’ transactions in specific reportable securities transactions. Any exceptions or trading pre-clearance must be approved by the firm principal in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

### **Trading Securities At/Around the Same Time as Client’s Securities**

From time to time, our firm or its “related persons” may buy or sell securities for themselves at or around the same time as clients. We will not trade non-mutual fund securities 5 days prior to the same security for clients.

# Item 12: Brokerage Practices

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

Wealth-Source Financial, LLC does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to the client based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

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

We currently do not receive soft dollar benefits.

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

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

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

We do recommend a specific custodian for clients to use, however, clients may custody their assets at a custodian of their choice. Clients may also direct us to use a specific broker-dealer to execute transactions. By allowing clients to choose a specific custodian, we may be unable to achieve most favorable execution of client transaction and this may cost clients money over using a lower-cost custodian.

## **The Custodian and Brokers We Use (TD Ameritrade)**

Advisor participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade"), member FINRA/SIPC. TD Ameritrade is an independent [and unaffiliated] SEC-registered broker-dealer. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance, and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the program. (Please see the disclosure under Item 14 below.)

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

Generally, we do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading").

# Item 13: Review of Accounts

Client accounts with the Investment Management Service will be reviewed regularly on a quarterly basis by Rosario Chacon, Founder, Principal, and CCO. The account is reviewed with regards to the client's investment policies and risk tolerance levels. Events that may trigger a special review would be unusual performance, addition or deletions of client-imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per client's needs.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

WSF will provide written reports to Investment Management clients on a quarterly basis. We urge clients to compare these reports against the account statements they receive from their custodian.

## Item 14: Client Referrals and Other Compensation

We do not receive any economic benefit, directly or indirectly, from any third party for advice rendered to our clients. Nor do we, directly or indirectly, compensate any person who is not advisory personnel for client referrals.

As disclosed under Item 12, above, Advisor participates in TD Ameritrade's institutional customer program and Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Advisor's participation in the program and the investment advice it gives to its Clients, although Advisor 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 Advisor 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 advisory 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 Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Advisor but may not benefit its Client accounts. These products or services may assist Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor 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, Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

## Item 15: Custody

WSF does not accept custody of client funds except in the instance of withdrawing client fees. For client accounts in which WSF directly debits their advisory fee:

- i. WSF will send a copy of its invoice to the custodian at the same time that it sends the client a copy.
- ii. The custodian will send at least quarterly statements to the client showing all disbursements for the account,

including the amount of the advisory fee.

iii. The client will provide written authorization to WSF, permitting them to be paid directly for their accounts held by the custodian.

Clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the account statements or reports that we may provide to you. Our statements or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## Item 16: Investment Discretion

For those client accounts where we provide Investment Advisory Services, we maintain discretion over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the client will execute a Limited Power of Attorney, which will grant our firm discretion over the account.

Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the client.

## Item 17: Voting Client Securities

Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure. In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

## Item 18: Financial Information

Registered Investment Advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and we have not been the subject of a bankruptcy proceeding.

We do not have custody of client funds or securities or require or solicit prepayment of more than \$500 in fees per client six months in advance.

# Item 19: Requirements for State-Registered Advisers

## **Rosario Chacon**

Born: 1980

### **Educational Background**

- 2022 – Certificate in Divorce Financial Analyst, Institute for Divorce Financial Analysts
- 2021 – Enrolled Agent (IRS) Special Examinations by the IRS
- 2020 – Professional Certificate in Student Loan Planning, CSLA Institute
- 2019 – Graduate Certificate in Financial Psychology and Behavioral Finance, Creighton University
- 2018 – Personal Financial Planning Certificate, University of California, Berkeley
- 2007 – M.B.A., Mills College
- 2006 – B.A. Business Economics, Mills College
- 2004 – A.A. Business Administration, College of Marin

### **Business Experience**

- 07/2018 – Present, Wealth-Source Financial, LLC, Founder, Principal, and CCO
- 01/2019 – 03/2023, Mission Economic Development Agency, Financial Capability Coach
- 11/2016 – 04/2018, Personal Financial Consultants, Financial Planner
- 03/2016 – 11/2016, Consulting
- 10/2014 – 02/2016, Morgan Stanley, Financial Adviser
- 06/2013 – 08/2014 Student
- 06/2008 – 05/2013, Apoyo Financiero, Branch Manager

### **Professional Designations, Licensing & Exams**

**Certified Divorce Financial Analyst®** designation is granted by The Institute for Divorce Financial Analysts®.

The IDFA provides specialized training to accounting, financial, and legal professionals in the field of pre-divorce financial planning.

The Institute provides comprehensive training using a variety of knowledge and skill-building techniques. CDFA candidates learn how to help their clients with financial issues that will affect the rest of their lives.

To acquire the designation, a candidate must successfully pass the exam and be in good standing with their Broker/Dealer and the FINRA/SEC or any other licensing or regulatory agency.

**EA (Enrolled Agent)** designation is granted by the Internal Revenue Service of the United States of America. Enrolled Agent status is the highest credential the IRS awards. An Enrolled Agent is a person who has earned

the privilege of representing taxpayers before the Internal Revenue Service by either passing a three-part comprehensive IRS test covering individual and business tax returns or through experience as a former IRS employee.

Individuals who obtain this elite status must adhere to ethical standards and complete 72 hours of continuing education courses every three years.

Enrolled Agents, like Attorneys and Certified Public Accountants (CPAs), have unlimited practice rights. This means they are unrestricted as to which taxpayers they can represent, what types of tax matters they can handle, and which IRS offices they can represent clients before.

**CFP® (Certified Financial Planner™):** The CERTIFIED FINANCIAL PLANNER™, and CFP® are federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regional accredited United States college or university (or its equivalent from a foreign university). CFP® Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real-world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence

and keep up with developments in the financial planning field; and

- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

**Certified Financial Behavior Specialist®** The Certified Financial Behavior Specialist® (FBS®) designation is a professional certification mark for financial professionals providing financial consulting services conferred by the Financial Psychology Institute®. To receive authorization to use the marks, the candidate must meet specific educational and continuing education requirements in the areas of behavioral finance and financial behavior.

### **Certification Requirements**

- Bachelor’s Degree or higher from a Regionally Accredited Institute of higher learning and/or a License, Registration, or Certification in financial planning, counseling, coaching, mental health, or a related field.
- Completion of a Certificate in Financial Psychology & Behavioral Finance or related field.
- Adherence to a “fiduciary standard” in interactions with clients and to follow the ethics code of either the CFP Board and/or American Psychological Association, depending on profession.
- 20 Hours of CEUs in approved courses related to financial planning, financial behavior, or a related field every 2 years, either through the Financial Psychology Institute® or other approved providers.
- Two letters of recommendation from professionals familiar with financial psychology or financial therapy, and who are also familiar with your work.

**Certified Student Loan Professional®** The CSLP® designation is a specialty designation created by the CSLP Board of Standards for financial professionals currently providing planning, investments, and tax-related services. All candidates are subject to a review and verification of their existing credentials and experience.

### **Certification Requirements:**

- A minimum of 2 years, verifiable, full-time work in financial services role such as tax, financial planning, investments, or insurance. Role includes CPA, CFP, ChFC, EA, CFA, Registered Investment Advisors, etc.
- Or A verified bachelor’s degree in business, economics or finance, or closely related field of study from an accredited college or university
- Pass a rigorous, comprehensive proctored exam of 2 hours with a minimum score of 70%
- Adhere to the CSLP Code of Ethics and Standards of Professional Conduct



- CSLPs renew their certification annually by completing a shorter, non-proctored exam, and paying the annual \$225 fee

### **Other Business Activities**

Rosario Chacon also works as a Student Loan Guide 10% of her time at Navigate, which specializes in student loan planning for physicians.

### **Performance-Based Fees**

WSF is not compensated by performance-based fees.

### **Material Disciplinary Disclosures**

No management person at Wealth-Source Financial, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

### **Material Relationships That Management Persons Have with Issuers of Securities**

Wealth-Source Financial, LLC, nor Rosario Chacon, have any relationship or arrangement with issuers of securities.

### **Additional Compensation**

Rosario Chacon does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through WSF.

### **Supervision**

Rosario Chacon, as Founder, Principal, and Chief Compliance Officer of WSF, is responsible for supervision. She may be contacted at the phone number on this brochure supplement.

### **Requirements for State Registered Advisers**

Rosario Chacon has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.

### **Conflicts of Interest**

Pursuant to California Code of Regulations Section 260.238 (k) any material conflicts of interest regarding the investment adviser, its representatives or any of its employees are disclosed to the client prior to entering into any Advisory or Financial Planning Agreement.

### **Business Continuity Plan**

WSF Financial maintains a written Business Continuity Plan that identifies procedures related to an emergency or significant business disruptions, including the death of the investment adviser or any of its representatives.



**Wealth-Source Financial, LLC**

**5769 Adeline Street**

**Oakland, CA 94608**

**(415) 202-3820**

**Dated March 16, 2022**

**Form ADV Part 2B – Brochure Supplement**

*For*

**Rosario Chacon 6411770**

Founder, Principal, and Chief Compliance Officer

This brochure supplement provides information about Rosario Chacon that supplements the Wealth-Source Financial, LLC (“WSF”) brochure. A copy of that brochure precedes this supplement. Please contact Rosario Chacon if the WSF brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Rosario Chacon is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the identification number 6411770.

# Item 2: Educational Background and Business Experience

## **Rosario Chacon**

Born: 1980

### **Educational Background**

- 2021– Certification as Divorce Financial Analyst, The Institute for Divorce Financial Analyst®
- 2022 – Enrolled Agent (IRS) Special Examination by the IRS
- 2022 – Professional Certificate in Student Loan Planning, CSLA Institute
- 2019 – Graduate Certificate in Financial Psychology and Behavioral Finance, Creighton University
- 2018 – Personal Financial Planning Certificate, University of California, Berkeley
- 2007 – M.B.A., Mills College
- 2006 – B.A. Business Economics, Mills College
- 2004 – A.A. Business Administration, College of Marin

### **Business Experience**

- 07/2018 – Present, Wealth-Source Financial, LLC, Founder, Principal, and CCO
- 01/2019 – 03/2019, Mission Economic Development Agency, Financial Capability Coach
- 11/2016 – 04/2018, Personal Financial Consultants, Financial Planner
- 03/2016 – 11/2016, Consulting
- 10/2014 – 02/2016, Morgan Stanley, Financial Adviser
- 06/2013 – 08/2014 Student
- 06/2008 – 05/2013, Apoyo Financiero, Branch Manager

### **Professional Designations, Licensing & Exams**

**Certified Divorce Financial Analyst®** designation, granted by The Institute for Divorce Financial Analysts®.

The IDFA provides specialized training to accounting, financial, and legal professionals in the field of pre-divorce financial planning.

The Institute provides comprehensive training using a variety of knowledge and skill-building techniques. CDFA candidates learn how to help their clients with financial issues that will affect the rest of their lives.

To acquire the designation, a candidate must successfully pass the exam and be in good standing with their Broker/Dealer and the FINRA/SEC or any other licensing or regulatory agency.

**EA (Enrolled Agent)** designation is granted by the Internal Revenue Service of the United States of America.

Enrolled Agent status is the highest credential the IRS awards. An Enrolled Agent is a person who has earned the privilege of representing taxpayers before the Internal Revenue Service by either passing a three-part comprehensive IRS test covering individual and business tax returns, or through experience as a former IRS employee.

Individuals who obtain this elite status must adhere to ethical standards and complete 72 hours of continuing education courses every three years.

Enrolled Agents, like Attorneys and Certified Public Accountants (CPAs), have unlimited practice rights. This means they are unrestricted as to which taxpayers they can represent, what types of tax matters they can handle, and which IRS offices they can represent clients before.

**CFP® (Certified Financial Planner™):** The CERTIFIED FINANCIAL PLANNER™, and CFP® are federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regional accredited United States college or university (or its equivalent from a foreign university). CFP® Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real-world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics

requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

**Certified Financial Behavior Specialist®** The Certified Financial Behavior Specialist® (FBS®) designation is a professional certification mark for financial professionals providing financial consulting services conferred by the Financial Psychology Institute®. To receive authorization to use the marks, the candidate must meet specific educational and continuing education requirements in the areas of behavioral finance and financial behavior.

### **Certification Requirements**

- Bachelor’s Degree or higher from a Regionally Accredited Institute of higher learning and/or a License, Registration, or Certification in financial planning, counseling, coaching, mental health, or a related field.
- Completion of a Certificate in Financial Psychology & Behavioral Finance or related field.
- Adherence to a “fiduciary standard” in interactions with clients and to follow the ethics code of either the CFP Board and/or American Psychological Association, depending on profession.
- 20 Hours of CEUs in approved courses related to financial planning, financial behavior, or a related field every 2 years, either through the Financial Psychology Institute® or other approved providers.
- Two letters of recommendation from professionals familiar with financial psychology or financial therapy, and who are also familiar with your work.

**Certified Student Loan Professional®** The CSLP® designation is a specialty designation created by the CSLP Board of Standards for financial professionals currently providing planning, investments, and tax-related services. All candidates are subject to a review and verification of their existing credentials and experience.

### **Certification Requirements:**

- A minimum of 2 years, verifiable, full-time work in financial services role such as tax, financial planning, investments, or insurance. Role includes CPA, CFP, ChFC, EA, CFA, Registered Investment Advisors, etc.
- Or A verified bachelor’s degree in business, economics or finance, or closely related field of study from an accredited college or university

- Pass a rigorous, comprehensive proctored exam of 2 hours with a minimum score of 70%
- Adhere to the CSLP Code of Ethics and Standards of Professional Conduct
- CSLPs renew their certification annually by completing a shorter, non-proctored exam, and paying the annual \$225 fee

## Item 3: Disciplinary Information

No management person at Wealth-Source Financial, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## Item 4: Other Business Activities

Rosario Chacon also works as a Financial Capability Coach 50% of her time at a non-profit organization, MEDA, in the Bay Area.

## Item 5: Additional Compensation

Rosario Chacon does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through WSF.

## Item 6: Supervision

Rosario Chacon, as Founder, Principal, and Chief Compliance Officer of WSF, is responsible for supervision. She may be contacted at the phone number on this brochure supplement.

## Item 7: Requirements for State Registered Advisers

Rosario Chacon has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.