

# Lance Parker Wealth Management Firm Brochure

*This brochure provides information about the qualifications and business practices of Advisor Lance Parker Wealth Management. If you have any questions about the contents of this brochure, please contact us at (805) 781-2778 or by email at: [lance@advisorlance.com](mailto:lance@advisorlance.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about Parker Wealth Advisory Services is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Parker Wealth Advisory Services' CRD number is: 158251*

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*Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

There are no material changes in this brochure from the last annual updating amendment of Parker Wealth Management on 03/25/2019 . Material changes relate to Parker Wealth Management policies, practices or conflicts of interests only.

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

Lance Parker Wealth Management is a Limited Liability Company organized in the state of California which was formed in June of 2011, and the principal owner is Lance Paul Parker.

### B. Types of Advisory Services

Lance Parker Wealth Management (hereinafter "LPWM") offers the following services to advisory clients:

#### *Investment Supervisory Services*

LPWM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. LPWM creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

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

LPWM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

#### *Financial Planning*

Financial plans and financial planning may include, but are not limited to: investment planning, life insurance; tax concerns; retirement planning; college planning; and debt/credit planning. These services are based on hourly fees and the final fee structure is documented in Exhibit II of the Financial Planning Agreement.

In offering financial planning, a conflict exists between the interests of the investment adviser and the interests of the client. The client is under no obligation to act upon the investment adviser's recommendation, and, 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. This statement is required by California Code of Regulations, 10 CCR Section 260.235.2.

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

LPWM generally limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, real estate, REITs, insurance products including annuities, and government securities. LPWM may use other securities as well to help diversify a portfolio when applicable.

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

LPWM offers the same suite of services to all of its 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.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent LPWM from properly servicing the client account, or if the restrictions would require LPWM to deviate from its standard suite of services, LPWM reserves the right to end the relationship.

### **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. LPWM DOES NOT participate in any wrap fee programs.

### **E. Amounts Under Management**

LPWM has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Non-discretionary Amounts:</b>	<b>Date Calculated:</b>
\$ 0.00	\$ 32,500,000.00	12/31/2020

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Investment Supervisory Services Fees*

Total Assets Under Management	Annual Fee
\$1 - \$500,000	1.50%
\$500,001 - \$1,000,000	1.25%
Above \$1,000,000	1.00%

These fees are negotiable depending upon the needs of the client and complexity of the situation and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid quarterly in advance, and clients may terminate their contracts with thirty days' written notice. Refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination.

Fees that are collected in advance will be refunded based on the prorated amount of work completed up to the day of termination within the quarter terminated. The fee refunded will be the balance of the fees collected in advance minus the daily rate\* times the number of days in the quarter up to and including the day of termination. (\*The daily rate is calculated by dividing the quarterly AUM fee by the number of days in the termination quarter). Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract. Lower fees for comparable services may be available from other sources.

Advisory fees are withdrawn directly from the client's accounts with client written authorization. In cases where Advisor fees are directly deducted, Advisor is required to a.) Obtain client authorization, b.) Send a copy of the invoice to the client at the same time that the IA directs invoice to the custodian for payment, c.) Disclose that the custodian will send quarterly invoices to the client wherein Advisor fees are itemized.

#### *Financial Planning Fees*

##### *Hourly Fees*

Depending upon the complexity of the situation and the needs of the client, the hourly fee for these services is \$300. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Fees are paid in arrears upon completion. Because fees are charged in arrears, no refund is necessary. Clients may



terminate their contracts without penalty within five business days of signing the advisory contract.

## **B. Payment of Fees**

### *Payment of Investment Supervisory Fees*

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid quarterly in advance.

### *Payment of Financial Planning Fees*

Hourly Financial Planning fees are paid via check in arrears upon completion. Because fees are charged in arrears, no refund is necessary.

## **C. Clients Are Responsible For Third Party Fees**

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

## **D. Prepayment of Fees**

LPWM collects some fees in advance. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be returned within fourteen days to the client via check.

The fee refunded will be the balance of the fees collected in advance minus the daily rate\* times the number of days in the quarter up to and including the day of termination. (\*The daily rate is calculated by dividing the quarterly AUM fee by the number of days in the termination quarter).

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

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

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

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

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

LPWM generally provides investment advice and/or management supervisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Trusts, Estates, or Charitable Organizations

### ***Minimum Account Size***

There is an account minimum, \$500,000, which may be waived by the investment advisor, based on the needs of the client and the complexity of the situation.

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

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis***

LPWM uses global asset allocation analysis.

*Global Asset Allocation* is a top-down investment strategy that attempts to exploit short-term mis-pricing among a global set of assets. The strategy focuses on general movements in the market rather than on performance of individual securities

#### ***Investment Strategies***

LPWM uses long term and short term trading strategies.

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

## **B. Material Risks Involved**

### *Methods of Analysis*

*Global Asset Allocation* attempts to exploit short-term mis-pricing among a global set of assets. This strategy concentrates on an entire asset class value and expected growth. The risk assumed is that the market will fail to reach expectations of perceived value.

### *Investment Strategies*

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading generally holds greater risk and clients should be aware that there is a material risk of loss using this strategy.

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

## **C. Risks of Specific Securities Utilized**

LPWM generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

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

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

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

There are no self-regulatory organization proceedings to report.

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

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

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

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

Neither LPWM nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

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

Neither LPWM nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

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

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

LPWM does not utilize nor select other advisors or third party managers. All assets are managed by LPWM management.

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

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

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual

Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

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

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

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

From time to time, representatives of LPWM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of LPWM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. LPWM will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

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

From time to time, representatives of LPWM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of LPWM to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. LPWM will always transact client's transactions before its own when similar securities are being bought or sold.

## **Item 12: Brokerage Practices**

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

The Custodians, Schwab Institutional, a division of Charles Schwab & Co. Inc., CRD #5393 and Fidelity Brokerage Services LLC, CRD # 7784, were chosen based on their relatively low transaction fees and access to mutual funds and ETFs. LPWM will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

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

LPWM receives research, products, or services other from its broker-dealer or another third-party in connection with client securities transactions ("soft dollar benefits"). There is no minimum client number or dollar number that LPWM must meet in order to receive free research from the custodian or broker/dealer. There is no incentive for LPWM to direct clients to this particular broker-dealer over other broker-dealers who

offer the same services. The first consideration when recommending broker/dealers to clients is best execution.

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

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

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

LPWM will not allow clients to direct LPWM to use a specific broker-dealer to execute transactions. Clients must use LPWM recommended custodian (broker-dealer). By requiring clients to use our specific custodian, LPWM may be unable to achieve most favorable execution of client transactions and this may cost clients' money over using a lower-cost custodian.

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

LPWM maintains the ability to block trade purchases across accounts. Block trading may benefit a large group of clients by providing LPWM the ability to purchase larger blocks resulting in smaller transaction costs to the client. Declining to block trade can cause more expensive trades for clients.

# **Item 13: Reviews of Accounts**

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

Client accounts are reviewed at least weekly by Lance Paul Parker, Managing Member. Lance Paul Parker is the chief advisor and is instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at LPWM are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Lance Paul Parker, Managing Member. There is only one level of review and that is the total review conducted to create the financial plan.

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

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

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

Each client will receive at least quarterly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

Clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

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

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

LPWM does not receive any economic benefit, directly or indirectly from any third party for advice rendered to LPWM clients.

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

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

## **Item 15: Custody**

LPWM, with client written authority, has limited custody of client's assets through direct fee deduction of LPWM's Fees only. Constructive custody of all client's assets and holdings is maintained primarily at Schwab Institutional, a division of Charles Schwab & Co. Inc., CRD #5393 or Fidelity Brokerage Services LLC, CRD # 7784. Clients will receive all required account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

## **Item 16: Investment Discretion**

LPWM does not have discretion over client accounts at any time.

## **Item 17: Voting Client Securities**

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

## **Item 18: Financial Information**

### **A. Balance Sheet**

LPWM does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

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

Neither LPWM nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

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

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

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

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

LPWM currently has only one management person/executive officer; Lance Paul Parker. Lance Paul Parker's education and business background can be found on the Supplemental ADV Part 2B form.

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

Lance Paul Parker's other business activities can be found on the Supplemental ADV Part 2B form.

### **C. How Performance Based Fees are Calculated and Degree of Risk to Clients**

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



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

No management person at LPWM or LPWM has been involved in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management.

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

Neither LPWM, nor its management persons, has any relationship or arrangement with issuers of securities.