

## **Firm Brochure**

(Part 2A of Form ADV)

# **Capstone Wealth Partners, Ltd.**

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This brochure provides information about the qualifications and business practices of Capstone Wealth Partners, Ltd. If you have any questions about the contents of this brochure, please contact us at: (614) 754-7805, or by email at: [info@capstonewealthpartners.com](mailto:info@capstonewealthpartners.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 Capstone Wealth Partners, Ltd. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

September 2011

## Material Changes

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### **Annual Update**

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

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### **Material Changes since the Last Update**

The U.S. Securities and Exchange Commission issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative “plain English” format. The new final rule specifies mandatory sections and organization.

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### **Full Brochure Available**

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at:

(614) 754-7805

*or* by email at:

[info@capstonewealthpartners.com](mailto:info@capstonewealthpartners.com)

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## Advisory Business

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### Firm Description

CAPSTONE WEALTH PARTNERS, LTD. was founded in 2009.

CAPSTONE WEALTH PARTNERS, LTD. provides personalized confidential financial planning, investment management, and wealth advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and small businesses. Advice is provided through consultation with the client and may include: determination of financial goals and objectives, identification of financial problems, cash flow management, debt management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

CAPSTONE WEALTH PARTNERS, LTD. is strictly a fee-only financial planning and investment management firm. The firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. The firm is not affiliated with entities that sell financial products or securities. No commissions are accepted in any form.

CAPSTONE WEALTH PARTNERS, LTD. does not directly or indirectly compensate for client referrals.

When investment advice is provided, CAPSTONE WEALTH PARTNERS, LTD. does not act as a custodian of client assets. The client always maintains asset control. CAPSTONE WEALTH PARTNERS, LTD. places trades for clients under a limited power of attorney.

A written evaluation of each client's initial situation is provided to the client, often in the form of a net worth statement. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis (with the exception of our Wealth Advisory Agreement, in which personal tax and legal services are provided by way of sub-advisory agreements). Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

The initial discovery meeting is free of charge and is considered an exploratory interview to determine the extent to which financial planning, investment management, and/or wealth advisory services may be beneficial to the client.

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**Principal Owners**

Joseph Messinger is a 60% stockholder. Ryan Sheppard is a 40% stockholder.

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**Types of Advisory Services**

CAPSTONE WEALTH PARTNERS, LTD. provides investment supervisory services, also known as asset management services; furnishes investment advice through consultations; and issues, charts, graphs, formulas, or other devices which clients may use to evaluate securities.

On more than an occasional basis, CAPSTONE WEALTH PARTNERS, LTD. furnishes advice to clients on matters not involving securities, such as financial planning matters, taxation issues, and trust services that often include estate planning.

As of September 2011, CAPSTONE WEALTH PARTNERS, LTD. manages approximately \$3 million in assets for approximately 30 clients. Approximately \$3 million is managed on a discretionary basis, and \$0 is managed on a non-discretionary basis.

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**Tailored Relationships**

The goals and objectives for each client are documented in our client relationship management system and financial planning software. Investment policy statements are created that reflect the stated goals and objective. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without client consent.

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**Types of Agreements**

The following agreements define the typical client relationships.

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**1. Financial Planning Agreement**

A financial plan is designed to help the client with all aspects of financial planning without ongoing investment management after the financial plan is completed.

The financial plan may include, but is not limited to: a net worth statement; a cash flow statement; a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations; basic tax planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; basic estate planning review and recommendations; and education planning with funding recommendations.

Detailed investment advice is provided as part of a financial plan. Implementation and monitoring of these recommendations is at the discretion of the client, and can be provided as part of our Investment Advisory or Wealth Advisory Agreement.

The fee for a financial plan is predicated upon the facts known at the start of the engagement. The minimum fee is \$2,500 (negotiable). Since financial planning is a discovery process, situations occur wherein the client is unaware of certain financial exposures or predicaments.

In the event that the client's situation is substantially different than disclosed at the initial meeting, a revised fee will be provided for mutual agreement. The client must approve the change of scope in advance of the additional work being performed when a fee increase is necessary.

After delivery of a financial plan, future face-to-face meetings may be scheduled as necessary, so long as it falls within the timeframe of the Financial Plan Agreement. Currently, this timeframe is 60 days.

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## **2. Investment Advisory Agreement**

An *Investment Advisory Agreement* may be executed when investable assets are being directly managed by CAPSTONE WEALTH PARTNERS, LTD., but financial planning is not provided as part of the relationship. The annual fees for this service are expressed as an annual percentage of the assets under direct management, as follows:

First \$250,000	1.1%
\$250,000 – 500,000	1.0%
\$500,000 – 1,000,000	.90%
\$1,000,000 – 2,000,000	.80%
\$2,000,000 and up	.70%

Fees are debited directly from accounts held at our custodian on a quarterly basis, with fees being collected on the first day of each calendar quarter. First quarter of management will be prorated to reflect only the remaining days in the calendar quarter in which client's assets are deposited or transferred to our custodian. These fees are NOT negotiable.

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## **3. Wealth Advisory Agreement**

Many clients choose to have CAPSTONE WEALTH PARTNERS, LTD. manage their assets as part of an ongoing relationship of in-depth advice and life planning. All aspects of the client's financial affairs are reviewed, including those for the benefit of their minor or dependent children. Realistic and measurable goals are set and objectives to reach those goals are defined. As goals and objectives change over time, suggestions are made and implemented on an ongoing basis.

The scope of work and fee for a Wealth Advisory Agreement is provided to the client in writing prior to the start of the relationship. A Wealth Advisory Agreement includes: cash flow management; debt management; comprehensive insurance review; investment management (including performance reporting); education planning; retirement planning; major expense (goal) planning; estate planning; and tax preparation, as well as the implementation of recommendations within each area.

The fees for Wealth Advisory services are as follows:

Initial one-time plan set up: \$1,500

Ongoing quarterly fee: \$1,500

The ongoing quarterly Wealth Advisory Agreement fee of \$1,500 can be partially or entirely offset by any and all fees generated under the client's Investment Advisory relationship with CAPSTONE WEALTH PARTNERS, LTD.

Fees for Wealth Advisory services are not negotiable. Current client relationships may exist where the fees are higher or lower than the fee schedule above.

Although the Wealth Advisory Agreement is an ongoing agreement and constant adjustments are required, the length of service to the client is at the client's discretion. The client or CAPSTONE WEALTH PARTNERS, LTD. may terminate an Agreement by written or verbal notice to the other party. At termination, a pro-rated refund will be given to the client to reflect any unused portion of fees for the remainder of the quarter.

Tax planning and preparation work is performed as an integral part of the Wealth Advisory Agreement. Eligible and applicable federal, state, and local returns are prepared and filed electronically without an additional fee. This is performed by Susan E. Thomas CPA, Inc. as outlined by our corporate sub-advisory agreement, and referenced below.

A basic estate planning review is performed as an integral part of the Wealth Advisor Agreement. A cursory review of personal estate planning documents and recommendations are provided without an additional fee. This is performed by Shockley & Co., LPA as outlined by our corporate sub-advisory agreement, and referenced below.

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### **Asset Management**

As part of our Investment Advisory Agreement and our Wealth Advisory Agreement, client assets are invested primarily in no-load mutual funds and exchange-traded funds. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Discount brokerages may charge a nominal transaction fee for the purchase of some funds.

Stocks and bonds may be purchased or sold through a brokerage account when appropriate. The brokerage firm charges a fee for stock and bond trades.

CAPSTONE WEALTH PARTNERS, LTD. does not receive any compensation, in any form, from fund companies.

Investments may also include: equities (stocks), warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (variable life insurance, variable annuities, and mutual funds shares), U. S. government securities, options contracts, futures contracts, and interests in partnerships.

CAPSTONE WEALTH PARTNERS, LTD. may recommend, where appropriated, the client invest in share of SA Funds – Investment Trust (the “SA Funds”), a family of nine asset class mutual funds advised, managed and administrated by LWIF. Fees are not charged directly upon investments in the SA Funds. LWIF receives certain fees and expenses directly from the SA Funds for its services as disclosed in that Fund’s prospectus.

Initial public offerings (IPOs) are not available through CAPSTONE WEALTH PARTNERS, LTD.

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### **Termination of Agreement**

A client may terminate any of the aforementioned agreements at any time by notifying CAPSTONE WEALTH PARTNERS, LTD. in writing and paying the rate for the time spent on the investment advisory engagement prior to notification of termination. If the client made an advance payment, CAPSTONE WEALTH PARTNERS, LTD. will refund any unearned portion of the advance payment.

CAPSTONE WEALTH PARTNERS, LTD. may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the client made an advance payment, CAPSTONE WEALTH PARTNERS, LTD. will refund any unearned portion of the advance payment.

## **Fees and Compensation**

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### **Description**

CAPSTONE WEALTH PARTNERS, LTD. bases its fees on a percentage of assets under management and fixed project fees.

Some *Agreements* may be priced based on the complexity of work, especially when asset management is not the most significant part of the relationship.

Financial plans are priced according to the degree of complexity associated with the client’s situation.

Fees are *negotiable* where noted.

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**Fee Billing**

Investment management fees are billed quarterly, in *advance*, meaning that we invoice you at the *beginning* of the three-month billing period. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

Fees for financial plans are billed 100% in advance. This fee is refundable, if requested, within five (5) days.

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**Other Fees**

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. Generally, the selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

CAPSTONE WEALTH PARTNERS, LTD., at its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

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**Expense Ratios**

Mutual funds generally charge a management fee for their services as investment managers. This management fee is called an *expense ratio*. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid by you to CAPSTONE WEALTH PARTNERS, LTD.

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

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**Past Due Accounts and Termination of Agreement**

CAPSTONE WEALTH PARTNERS, LTD. reserves the right to stop work on any client work that is more than 30 days overdue. In addition, CAPSTONE WEALTH PARTNERS, LTD. reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in CAPSTONE WEALTH PARTNERS, LTD.'s judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded within 30 days.

## Performance-Based Fees

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### Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

CAPSTONE WEALTH PARTNERS, LTD. does not use a performance-based fee structure because of the potential conflict of interest. This is because performance-based compensation can create an incentive for an adviser to recommend an investment that may carry a higher degree of risk to the client that was otherwise appropriate given a client's risk profile.

## Types of Clients

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### Description

CAPSTONE WEALTH PARTNERS, LTD. generally provides investment and financial planning advice to individuals and their families, but also has the capability to work with pension and profit sharing plans, trusts, estates, charitable organizations, corporations or business entities.

Client relationships vary in scope and length of service.

### Account Minimums

CAPSTONE WEALTH PARTNERS, LTD. does not require a minimum account size. However, it should be noted that LWIF (third-party asset management partner of CAPSTONE WEALTH PARTNERS, LTD.) has a strict \$100,000 household minimum. Therefore, households with \$100,000 or more of initial investable assets are eligible for LWIF portfolios. Households with less than \$100,000 are not eligible for LWIF portfolios, but may still have their asset managed in a different capacity.

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

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### Methods of Analysis

Security analysis methods may include fundamental analysis, technical analysis, and cyclical analysis.

The main sources of information include research materials prepared by others, financial newspapers and magazines, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

Other sources of information that CAPSTONE WEALTH PARTNERS, LTD. may use include Morningstar mutual fund information, Morningstar stock information, Lipper data, and the World Wide Web.

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## **Investment Strategies**

The primary investment strategy used on client accounts is strategic asset allocation. Portfolios are globally diversified to control the risk associated with traditional markets.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases, short-term purchases, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

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## **Risk of Loss**

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## Disciplinary Information

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### Legal and Disciplinary

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

## Other Financial Industry Activities and Affiliations

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### Financial Industry Activities

In order to avoid any conflict of interest, CAPSTONE WEALTH PARTNERS, LTD. has no other financial industry activities.

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### Affiliations

CAPSTONE WEALTH PARTNERS, LTD. has arrangements that are material to its advisory business or its clients with a related firm/person who is a Registered Investment Adviser, an accounting firm, or a law firm, as such:

#### **Shockley & Co., LPA**

5131 Post Road – Suite 350

Dublin, OH 43017

(614) 602-6550

Shockley & Co. provides estate planning services as a sub-advisor, as described in our Wealth Advisory Agreement. Such services are paid directly through fees associated with the Wealth Advisory Agreement between client and CAPSTONE WEALTH PARTNERS, LTD.

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#### **Susan E. Thomas CPA, Ltd. (“SET CPA”)**

3960 Brown Park Dr. – Suite C

Hilliard, OH 43026

(614) 771-7700

SET CPA provides tax planning, preparation, and filing services as a sub-advisor, as described within our Wealth Advisory Agreement. Such services are paid directly through fees associated with the Wealth Advisory Agreement between client and CAPSTONE WEALTH PARTNERS, LTD.

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**LWI Financial Inc. (“LWIF”)**

3055 Olin Ave – Suite 2000  
San Jose, CA 95128  
(800) 366-7266

LWIF performs certain services such as account administration, portfolio allocation analysis, asset-class investment strategy, back-office fulfillment, report and statement production, and fee debiting. Such services are paid directly through the advisory fees billed to the client or are indirectly paid by CAPSTONE WEALTH PARTNERS, LTD. LWIF is an investment adviser registered with the Securities and Exchange Commission.

LWIF may also sponsor educational seminars for the benefit of CAPSTONE WEALTH PARTNERS, LTD. and/or its clients. Such educational seminars provide CAPSTONE WEALTH PARTNERS, LTD. with access to information and ideas regarding practice development, client servicing, investment strategy, relationship management and financial planning. Attendance expenses associated with such education seminars may be paid or reimbursed, either in whole or in part, by LWIF.

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

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### **Code of Ethics**

The employees of CAPSTONE WEALTH PARTNERS, LTD. have committed to a Code of Ethics (as written by the Financial Planning Association) that is available for review by clients and prospective clients upon request. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request. It is also available on our company website.

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### **Participation or Interest in Client Transactions**

CAPSTONE WEALTH PARTNERS, LTD. and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees comply with the provisions of the CAPSTONE WEALTH PARTNERS, LTD. *Compliance Manual*.

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### **Personal Trading**

The Chief Compliance Officer of CAPSTONE WEALTH PARTNERS, LTD. is Ryan Sheppard. He reviews all employee trades each quarter. His trades are reviewed by Joseph Messinger. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

## **Brokerage Practices**

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### **Selecting Brokerage Firms**

CAPSTONE WEALTH PARTNERS, LTD. does not have any affiliation with product sales firms. Specific custodian recommendations are made to Clients based on their need for such services. CAPSTONE WEALTH PARTNERS, LTD. recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

CAPSTONE WEALTH PARTNERS, LTD. currently uses the following qualified custodians:

1. Charles Schwab & Co.
2. Trade-PMR, Inc.

CAPSTONE WEALTH PARTNERS, LTD. does not receive fees or commissions from any of these arrangements.

CAPSTONE WEALTH PARTNERS, LTD. may execute transactions through a broker-dealer, Loring Ward Securities Inc. ("LWSI"), that is affiliated and under common ownership with LWIF. LWSI is a securities broker-dealer and a member of the FINRA that introduces all transactions to its correspondent clearing firm, Pershing LLC, on a fully-disclosed basis. CAPSTONE WEALTH PARTNERS, LTD. or client may incur additional brokerage commissions, ticket charges or other similar expenses that are collected by LWSI, or another broker-dealer and/or custodian of record.

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### **Best Execution**

CAPSTONE WEALTH PARTNERS, LTD. reviews the execution of trades at each custodian each quarter. The review is documented in the CAPSTONE WEALTH PARTNERS, LTD. *Compliance Manual*. Trading fees charged by the custodians is also reviewed on a quarterly basis. CAPSTONE WEALTH PARTNERS, LTD. does not receive any portion of the trading fees.

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### **Soft Dollars**

CAPSTONE WEALTH PARTNERS, LTD. does not participate in any soft dollar arrangements.

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**Order Aggregation**

Most trades are mutual funds or exchange-traded funds where trade aggregation does not garner any client benefit.

## Review of Accounts

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**Periodic Reviews**

Account reviews are performed quarterly by advisors Ryan Sheppard & Joseph Messinger, in conjunction any applicable services from LWIF. Account reviews are performed more frequently when market conditions dictate.

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**Review Triggers**

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

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**Regular Reports**

Account reviewers are members of the firm's Investment Committee. They are instructed to consider the client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the client. Clients receive periodic communications on at least an annual basis.

*Investment Advisory Agreement* and *Wealth Advisory Agreement* clients receive quarterly performance reports, as it relates to their assets managed by CAPSTONE WEALTH PARTNERS, LTD.

In addition, *Wealth Advisory Agreement* clients receive regular financial updates at face-to-face progress meetings during the year. These written updates may include a net worth statement, portfolio asset allocation review, insurance analysis, estate planning overview, tax proposals and returns (if the client requests tax preparation services), and a summary of goals/objectives and progress towards meeting those goals/objectives.

## Client Referrals and Other Compensation

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**Incoming Referrals**

CAPSTONE WEALTH PARTNERS, LTD. has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

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**Referrals Out**

CAPSTONE WEALTH PARTNERS, LTD. does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

## Custody

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**Account Statements**

All assets are held at a qualified custodian, which means the custodian provides account statements directly to clients at their address of record monthly.

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**Performance Reports**

Clients are urged to compare the account statements received directly from their custodians to the quarterly performance report statements provided by CAPSTONE WEALTH PARTNERS, LTD. and/or LWIF.

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**Net Worth Statements**

Clients are frequently provided net worth statements and net worth graphs that are generated from our client relationship management and/or financial planning software. Net worth statements contain approximations of bank account balances provided by the client, as well as the value of land and hard-to-price real estate. The net worth statements are used for long-term financial planning where the exact values of assets are not material to the financial planning tasks.

## Investment Discretion

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**Discretionary Authority for Trading**

CAPSTONE WEALTH PARTNERS, LTD. accepts discretionary authority to manage securities accounts on behalf of clients. CAPSTONE WEALTH PARTNERS, LTD. has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. However, CAPSTONE WEALTH PARTNERS, LTD. consults with the client prior to each trade to obtain concurrence if a blanket trading authorization has not been given.

The client approves the custodian to be used and the commission rates paid to the custodian. CAPSTONE WEALTH PARTNERS, LTD. does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

Discretionary trading authority facilitates placing trades in your accounts on your behalf so that we may promptly implement the investment policy that you have approved in writing.

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**Limited Power of Attorney**

A limited power of attorney is a trading authorization for this purpose. You sign a limited power of attorney so that we may execute the trades that you have approved.

**Voting Client Securities**

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**Proxy Votes**

CAPSTONE WEALTH PARTNERS, LTD. does not vote proxies on securities. Clients are expected to vote their own proxies.

When assistance on voting proxies is requested, CAPSTONE WEALTH PARTNERS, LTD. will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

**Financial Information**

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**Financial Condition**

CAPSTONE WEALTH PARTNERS, LTD. does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because CAPSTONE WEALTH PARTNERS, LTD. does not serve as a custodian for client funds or securities, and does not require prepayment of fees of six months or more in advance.

**Business Continuity Plan**

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**General**

CAPSTONE WEALTH PARTNERS, LTD. has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

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**Disasters**

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

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**Alternate Offices**

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

## Information Security Program

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**Information Security**

CAPSTONE WEALTH PARTNERS, LTD. maintains an information security program to reduce the risk that your personal and confidential information may be breached.

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**Privacy Notice**

CAPSTONE WEALTH PARTNERS, LTD. is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us.

The categories of nonpublic information that we collect from you may include information about your personal finances, information about your health to the extent that it is needed for the financial planning process, information about transactions between you and third parties, and information from consumer reporting agencies, e.g., credit reports. We use this information to help you meet your personal financial goals.

With your permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom you have established a relationship. You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email, or in person. With your permission, we share a limited amount of information about you with your brokerage firm in order to execute securities transactions on your behalf.

We maintain a secure office to ensure that your information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment.

We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver this *Privacy Notice* to you annually, in writing.

## Brochure Supplement (Part 2B of Form ADV)

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### Education and Business Standards

CAPSTONE WEALTH PARTNERS, LTD. requires that advisors in its employ have a bachelor's degree and further coursework (or acceptable matriculation towards) demonstrating knowledge of financial planning and tax planning. Examples of acceptable coursework may include: an MBA, a CFP®, a CFA, a ChFC, JD, CTFA, EA or CPA. Additionally, advisors must have work experience that demonstrates their aptitude for financial planning and investment management.

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### Joseph S. Messinger, ChFC, CLU, CCPS

#### Educational Background:

- Date of birth: 12/9/1977
- B.S. Hotel, Restaurant & Institutional Management, Penn State Univ. (2000)

#### Business Experience:

- 2009-11: Partner & IAR, Capstone Wealth Partners
- 2007-09: Partner, New York Life
- 2006-07: Regional Financial Advisor, Key Investment Services
- 2002-06: Senior Vice President, AXA Advisors

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

#### Supervision:

Joe Messinger is supervised by Ryan Sheppard, Partner. He reviews Joe Messinger's work through frequent office interactions as well as remote interactions. He also reviews Joe Messinger's activities through our client relationship management system.

Ryan Sheppard's contact information:

(614) 754-7805 rls@capstonewealthpartners.com

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

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### Ryan L. Sheppard

#### Educational Background:

- Date of birth: 7/19/1981

- B.S. Economics, The Ohio State University (2003)

Business Experience:

- 2009-11: Partner & IAR, Capstone Wealth Partners
- 2007-09: Reg Rep/IAR, New York Life & Eagle Strategies
- 2006-07: Reg Rep, NatCity Investments
- 2004-06: Reg Rep, AXA Advisors

Disciplinary Information: None

Other Business Activities:

Ryan Sheppard is a part-owner of, but is not actively engage in the business of, The Ohio Political Network LLC – a consulting company that distributes technology to political campaigns.

Additional Compensation: None

Supervision:

Ryan Sheppard is supervised by Joe Messinger, Partner. He reviews Ryan Sheppard's work through frequent office interactions as well as remote interactions. He also reviews Ryan Sheppard's activities through our client relationship management system.

Joseph Messinger's contact information:

(614) 754-7805    [jsm@capstonewealthpartners.com](mailto:jsm@capstonewealthpartners.com)

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None