



## **Worthen Financial Advisors, Inc.**

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January 11, 2024

This Brochure provides information about the qualifications and business practices of Worthen Financial Advisors, Inc. If you have any questions about the contents of this Brochure, please contact us at 832-895-1188. 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.

Worthen Financial Advisors, Inc. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Worthen Financial Advisors, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for Worthen Financial Advisors, Inc. is 316622.

## Item 2 – Material Changes

This Item of the Brochure discusses only specific material changes that are made to the Brochure since the last annual update and provides clients with a summary of such changes. The last annual update of our Brochure was March 15, 2023.

Our current Brochure includes the following material change:

- Items 4, 5, 6, 8, 11, 12, 14, 15 and 16 have been updated to include information on Betterment for Advisors Platform and Betterment for Business (“B4B”) Platforms.
- Item 4 has been updated to introduce the use of Pontera, a third-party platform that allows Worthen Financial Advisors, Inc. to access and manage assets not held directly with Worthen Financial Advisors, Inc. custodians.

In addition, a substantial re-write of this Form ADV Part 2A Disclosure Brochure was completed to enhance the understanding for the reader. While this process effected most sections of the brochure, there have not been any material changes other than those listed above since the last filing dated July 27, 2022.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. Currently, our Brochure may be requested by contacting Angela Johnson, Worthen Financial Advisors, Inc.’s Chief Compliance Officer at 832-895-1188. Additional information about Worthen Financial Advisors, Inc. is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Worthen Financial Advisors, Inc. who are registered, or are required to be registered, as investment adviser representatives of Worthen Financial Advisors, Inc.

(Date of Brochure: 01/11/2024)

(Date of Most Recent Annual Updating Amendment: 03/21/2023)

## Item 3 – Table of Contents

Item 1 – Cover Page .....	i
Item 2 – Material Changes .....	ii
Item 3 – Table of Contents.....	iii
Item 4 – Advisory Business .....	1
Item 5 – Fees and Compensation .....	7
Item 6 – Performance-Based Fees and Side-By-Side Management .....	10
Item 7 – Types of Clients.....	10
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	10
Item 9 – Disciplinary Information .....	13
Item 10 – Other Financial Industry Activities and Affiliations .....	13
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	14
Item 12 – Brokerage Practices .....	16
Item 13 – Review of Accounts .....	18
Item 14 – Client Referrals and Other Compensation .....	19
Item 15 – Custody .....	21
Item 16 – Investment Discretion .....	21
Item 17 – Voting Client Securities.....	22
Item 18 – Financial Information.....	22
Item 19 – Requirements for State-Registered Advisers .....	23

## Item 4 – Advisory Business

Worthen Financial Advisors, Inc. is owned by Angela Johnson and has been providing advisory services since August 2021. As of December 31, 2022, Worthen Financial Advisors, Inc. managed \$12,524,606 on a non-discretionary basis.

### **Investment Management Services:**

Worthen Financial Advisors, Inc. manages investment portfolios for individuals, high net worth individuals, trusts, businesses, and qualified retirement plans. Worthen Financial Advisors, Inc. will work with a client to determine the client's investment objectives and investor risk profile and will design a written investment policy statement.

Worthen Financial Advisors, Inc. uses investment and portfolio allocation software to evaluate alternative portfolio designs. Worthen Financial Advisors, Inc. evaluates the client's existing investments with respect to the client's investment policy statement. Worthen Financial Advisors, Inc. works with new clients to develop a plan to transition from the client's existing portfolio to the portfolio recommended by Worthen Financial Advisors, Inc. Worthen Financial Advisors, Inc. will then continuously monitor the client's portfolio holdings and the overall asset allocation strategy and hold review meetings with the client regarding the account as necessary.

Worthen Financial Advisors, Inc. will typically create a portfolio of passive and/or evidence-based mutual funds and Exchange Traded Funds (ETFs) and may use model portfolios if the models match the client's investment policy. Worthen Financial Advisors, Inc. will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. Worthen Financial Advisors, Inc. primarily recommends mutual funds and ETFs offered by Dimensional Fund Advisors (DFA). DFA sponsored mutual funds follow a passive asset class investment philosophy with low holdings turnover.

Client portfolios may also include some individual equity securities in situations where disposition of these securities would present an overriding tax implication or the client specifically requests they be retained for a personal reason. These situations will be specifically identified in the client's Investment Policy Statement (IPS).

Worthen Financial Advisors, Inc. manages mutual fund and equity portfolios only on a non-discretionary basis according to the investment policy selected by the client. A client may impose any reasonable restrictions on Worthen Financial Advisors, Inc.'s discretionary authority, including restrictions on the types of securities in which Worthen Financial Advisors, Inc. may invest client's assets and on specific securities, which the client may believe to be appropriate.

Clients may also engage Worthen Financial Advisors, Inc. to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, Worthen Financial Advisors, Inc. will direct or make recommendations on a non-discretionary basis for the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or custodian for the plan trustee or administrator and clients retain responsibility for effecting trades in these accounts.

#### **Use of Third-Party Sub-Advisers:**

Worthen Financial Advisors, Inc. has retained Buckingham Strategic Partners, LLC ("BSP") to act as a sub-advisor for certain client accounts. BSP shall provide various model asset allocation portfolios (each a "Portfolio", collectively "Portfolios") for selection by Worthen Financial Advisors, Inc. Each Portfolio strives to achieve long-term risk and return objectives through diversification among multiple asset classes using investment options available to BSP, which may include, but not limited to, mutual funds and/or exchange traded funds from Dimensional Fund Advisors LP, Bridgeway Capital Management, Inc., AQR Capital Management, LLC, The Vanguard Group, Inc., Stoneridge Asset Management, LLC or other providers selected by BSP. Each Portfolio is designed to meet a particular investment goal which Worthen Financial Advisors, Inc. has determined is suitable based on the client's circumstances. Once the appropriate Portfolio(s) has been determined, the Portfolio will continuously be managed based on the portfolio's goal and BSP will have the discretionary authority to manage the Portfolio(s), including periodically rebalancing. However, Adviser, on behalf of its client, will have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Should material life events occur, clients should immediately contact Worthen Financial Advisors, Inc. to determine if changes to an account and the allocation of the assets held in the account are necessary.

Worthen Financial Advisors, Inc. may also recommend fixed income portfolios to investment management clients, which consist of managed accounts of individual bonds. Worthen Financial Advisors, Inc. will request discretionary authority from investment management clients to manage fixed income portfolios, including the discretion to retain a third-party fixed income manager. For client portfolios managed on a non-discretionary basis, client should be aware that the authority for Worthen Financial Advisors, Inc. to retain a fixed income manager is provided in the signed advisory agreement and is provided on a discretionary basis.

The fixed income securities manager will be provided with the discretionary authority to invest client assets in fixed income securities consistent with the client's Investment Policy Statement. The fixed income manager will also monitor the account for changes in credit ratings, security call provisions, and tax loss harvesting opportunities (to the extent that the manager is provided with cost basis information). The fixed income manager will obtain Worthen Financial Advisors, Inc.'s consent prior to the sale of any client securities.

#### **Betterment Digital Wealth Management:**

Worthen Financial Advisors, Inc has contracted Betterment for Advisors , a digital wealth management platform generally serving independent investment advisory firms and advisors. Betterment LLC (“Betterment”), a registered investment advisor, serves as sub-advisor to Worthen Financial Advisors, Inc.’s (“Clients”). MTG LLC, dba Betterment Securities (“Betterment Securities”), a registered broker-dealer and member of FINRA and SIPC, serves as broker-dealer and custodian. Betterment and Betterment Securities are not a “Related Person” of Worthen Financial Advisors, Inc..

The services provided by Betterment include:

- **Goal-Based Investment Management:** Betterment’s goal-based investment platform allows Advisors and Clients to identify multiple investment goals for each Client, each with specific portfolio allocations;
- **Portfolio Construction Tools:** Worthen Financial Advisors, Inc. and our Clients have access to a set of Betterment constructed portfolio strategies, third-party model portfolio strategies, or, if applicable, Advisor constructed custom portfolio strategies (described below), each of which is comprised of low cost, index-tracking exchange-traded funds or mutual funds (the latter only for advisors who are approved to construct portfolios with Dimensional Fund Advisors mutual funds), and are able to customize the risk-level for each investment goal (collectively “traditional securities portfolios”);
- **Automated Investment Management Services:** Betterment’s algorithms automate back-office tasks such as trading, portfolio management, and account rebalancing;
- **Website and Mobile Application:** Betterment’s website and mobile application provide a platform for account access and monitoring and delivery of account documentation and notices; and
- **Advisor Dashboard:** Advisors have access to a dashboard for purposes of monitoring and managing Client accounts.

Through Betterment’s platform custom portfolio strategies (“Custom Portfolios”), Worthen Financial Advisors, Inc. may construct Custom Portfolios using our own investment methodologies, and our Clients are able to use Betterment’s automated advice features, including automatic rebalancing, dividend reinvestment, tax loss harvesting, and asset location services. Worthen Financial Advisors, Inc., and not Betterment, is responsible for managing any goal for which a Custom Portfolio is elected on the basis of a Client’s financial situation and investment objectives. In addition, Worthen Financial Advisors, Inc., and not Betterment, is responsible for disclosing to Clients any limitations to Betterment’s features caused by the election of a Custom Portfolio strategy.

Betterment for Advisors offers several account types to Worthen Financial Advisors, Inc. and our Clients, such as taxable investing accounts, individual retirement accounts (IRAs), and cash management accounts (Cash Reserve). If our Client also is employed by a company that utilizes Betterment’s 401(k) offering, Betterment at Work, Worthen Financial Advisors, Inc. may also manage Client’s Betterment 401(k) account if Client delegates

investment management authority of their 401(k) to us. Worthen Financial Advisors, Inc. can also view Clients' Betterment checking account in their Advisor Dashboard, and can also view Clients' health savings accounts (HSAs), if the Client has a Betterment HSA through their employer.

#### TAILORED SERVICES AND INVESTMENT RESTRICTIONS

To use Betterment for Advisors' services, Clients and/or Worthen Financial Advisors, Inc. must inform Betterment of their financial situation and preferences through Betterment's online application. To set up an investing account through the Betterment platform, Worthen Financial Advisors, Inc. and/or their Clients must select an investment goal, select a portfolio strategy (or follow the Advisor's pre-set default portfolio strategy), and set an allocation (the risk level of the portfolio which corresponds to a ratio of stock to bonds), and may provide additional details about the Client's investment objectives within Betterment's interface.

Worthen Financial Advisors, Inc. can also restrict the securities purchased for Client accounts by electing Betterment's Flexible portfolio strategy or Worthen Financial Advisors, Inc.'s Custom Portfolio strategy to choose their own asset classes and adjust allocation weights. Clients and/or their Advisors can influence Betterment's discretionary management of their account by turning on or off several of Betterment automated portfolio management features.

On an ongoing basis, Worthen Financial Advisors, Inc. will answer clients' inquiries regarding their accounts and review periodically with clients the performance of their accounts. Worthen Financial Advisors, Inc. will periodically, and at least annually, review clients' investment policy, risk profile and discuss the re-balancing of each client's accounts to the extent appropriate. Worthen Financial Advisors, Inc. will provide to investment manager any updated client financial information or account restrictions necessary for investment manager to provide sub-advisory services.

In addition to managing the client's investment portfolio, Worthen Financial Advisors, Inc. may consult with clients on various financial areas including income and estate tax planning, business sale structures, college financial planning, retirement planning, insurance analysis, personal cash flow analysis, establishment and design of retirement plans and trust designs, among other things.

#### WRAP PROGRAM

Betterment for Advisors offers its investment sub-advisory services for traditional securities portfolios through a wrap fee program that includes custody and trading services provided by its affiliate, Betterment Securities. Additional information regarding the Betterment Wrap program is provided in the Betterment Form ADV Part 2, Appendix 1 for clients choosing to utilize this service.

#### **Employee Benefit Retirement Plan Services:**

Worthen Financial Advisors, Inc. also provides advisory services to participant-directed employee retirement benefit plans through third-party administration services, which are online bundled service providers offering

an opportunity for plan sponsors to provide their participants with daily account access, valuation, and investment education.

Worthen Financial Advisors, Inc. will analyze the plan's current investment platform and assist the plan in creating an investment policy statement defining the types of investments to be offered and the restrictions that may be imposed. Worthen Financial Advisors, Inc. will recommend investment options to achieve the plan's objectives, provide participant education meetings, and monitor the performance of the plan's investment vehicles.

Worthen Financial Advisors, Inc. will recommend changes in the plan's investment vehicles as may be appropriate from time to time. Worthen Financial Advisors, Inc. generally will review the plan's investment vehicles and investment policy as necessary.

Worthen Financial Advisors, Inc. works in coordination and support with BSP or Betterment under the Betterment For Business ("B4B") platform to offer these services. Retirement plan clients will engage both Worthen Financial Advisors, Inc. and their selected retirement plan partner.

BSP will provide to the client additional discretionary investment management services and will exercise discretionary authority to select the plan investments made available to the plans' participants by selecting and maintain the plans' investments according to the goals and investment objectives of the plan.

B4B provides administrative and recordkeeping services to Plans, including preparing plan documents, performing annual compliance testing, and preparing drafts of certain tax and Department of Labor forms. To the extent a Plan delegates to B4B certain responsibilities required to be performed by the Plan "administrator" as that term is defined in Section 3(16) of ERISA, B4B will provide such services as a fiduciary under ERISA. B4B offers the Betterment services indicated above and, in addition, prepares an Investment Policy Statement ("IPS") for each plan including the designation of a qualified default investment alternative ("QDIA") and manages participant accounts on a discretionary basis under a limited power of attorney.

Worthen Financial Advisors, Inc. will continue to work with plans to monitor plan investments, provide fiduciary plan advice including regular considerations of the goals and objectives of the plan, and provide participant education services to the plan.

**Pontera:**

We use a third party platform to facilitate management of held away assets such as defined contribution plan participant accounts, with discretion. The platform allows us to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades.

We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the Client allowing them to connect an account(s) to the platform. Once



Client account(s) is connected to the platform, Worthen Financial Advisors, Inc. will review the current account allocations. When deemed necessary, Worthen Financial Advisors, Inc. will rebalance the account considering client investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. Client account(s) will be reviewed at least quarterly and allocation changes will be made as deemed necessary.

### **Financial Planning and Consulting Services:**

Worthen Financial Advisors, Inc. also offers advice in the form of either a standalone financial plan or ongoing financial monitoring subscription.

Clients engaging for financial plans may receive various financial reports, providing the client with detailed financial information designed to achieve their stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern:

- Personal: Family records, budgeting, personal liability, estate information and financial goals.
- Education: Education IRAs, financial aid, state savings plans, grants and general assistance in preparing to meet dependent's continuing educational needs through development of an education plan.
- Risk: Review of existing insurance policies to ensure proper coverage for life, health, disability, long-term care, liability, home, and automobile.
- Tax & Cash Flow: Income tax and spending analysis and planning for past, current and future years.
- Death & Disability: Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.
- Retirement: Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.
- Investments: Analysis of current and alternative investment holdings and costs, examining the potential long-term effects on a client's portfolio, recommending appropriate investment options, allocations, or adjustments.

Worthen Financial Advisors, Inc. gathers required information through in-depth personal interviews. Information gathered includes a client's current financial status, future goals and attitudes towards risk. Related documents supplied by the client are carefully reviewed and a written report is typically prepared. Should a client choose to implement the recommendations in the plan, Worthen Financial Advisors, Inc. suggest the client work closely with his/her attorney, accountant or insurance agent. Implementation of financial plan recommendations is entirely at the client's discretion. Clients are encouraged to review their plan on a regular basis, especially if there are any changes in their financial situation, goals, need, or investment objectives.

Clients receiving ongoing financial monitoring will have access to a subscription-based membership site and app with availability of advice.

## **Item 5 – Fees and Compensation**

In certain circumstances, all fees, account minimums and their applications to family circumstances may be negotiable.

Advance fee payments will never exceed \$500 for work that will not be completed within six months.

Worthen Financial Advisors, Inc. has contracted with BSP for services including trade processing, collection of management fees, record maintenance, report preparation, marketing assistance, and research. Worthen Financial Advisors, Inc. has also contracted with BSP for sub-advisory services with respect to clients' accounts. Worthen Financial Advisors, Inc. pays a fee for BSP services based on management fees paid to Worthen Financial Advisors, Inc. on accounts which use BSP. The fee paid by Worthen Financial Advisors, Inc. to BSP consists of a portion of the fee paid by clients to Worthen Financial Advisors, Inc. and varies based on the total client assets administered and/or sub-advised by BSP through Worthen Financial Advisors, Inc. These fees are not separately charged to advisory clients. The fee charged by Worthen Financial Advisors, Inc. to its clients includes all sub-advisory fees charged by BSP.

The specific manner in which fees are charged by Worthen Financial Advisors, Inc. is established in a client's written agreement with Worthen Financial Advisors, Inc. Investment Management and Employee Benefit Plan clients will be invoiced in advance at the beginning of each calendar quarter based upon the value (market value based on independent, third-party sources or fair market value in the absence of market value; client account balances on which Worthen Financial Advisors, Inc. calculates fees may vary from account custodial statements based on independent valuations and other accounting variances, including mechanisms for including accrued interest in account statements) of the client's account at the end of the previous quarter. New accounts are charged a prorated fee for the remainder of the quarter in which the account is inceptioned (date of first trade).

For Investment Management and Employee Benefit Plan Services, Worthen Financial Advisors, Inc. will request authority from the client to receive quarterly payments directly from the client's account held by an independent custodian. Clients may provide written limited authorization to Worthen Financial Advisors, Inc. or its designated service provider, BSP, to withdraw fees from the account. Clients will receive custodial statements showing the advisory fees debited from their account(s). Certain third-party administrators will calculate and debit Worthen Financial Advisors, Inc.'s fee and remit such fee to Worthen Financial Advisors, Inc.

A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. The

client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

Worthen Financial Advisors, Inc.'s fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third-party investment and other third parties such as fees charged by managers, custodial Yess, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. These fees will generally include a management fee and other fund expenses. All fees paid to Worthen Financial Advisors, Inc. for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders.

Such charges, fees and commissions are exclusive of and in addition to Worthen Financial Advisors, Inc.'s fee, and Worthen Financial Advisors, Inc. shall not receive any portion of these commissions, fees, and costs.

### **Advisory Fees**

The annual fee for investment management services will be charged as a percentage of assets under management, according to the schedule below:

<b>Assets Under Management</b>	<b>Annual Fee (%)</b>
\$0 - \$499,999	1.15%
\$500,000 - \$999,999	0.90%
\$1,000,000 - \$2,999,999	0.65%
\$3,000,000 - \$4,999,999	0.55%
On all amounts thereafter	0.50%

Depending on the custodian used, the fee is calculated either by utilizing the prior quarter-end market value or the account's average daily balance. Accounts with Charles Schwab & Co., Inc. utilize the prior quarter-end market value and accounts with The Capital Group Companies, Inc. utilize the account's average daily balance.

While there is no required minimum account size to open and maintain an investment account, certain accounts are charged a monthly fee of \$99 until agreed upon asset thresholds are met. We do not assess account opening and/or administration fees to initiate our portfolio management services.

All accounts for members of the client's family (husband, wife and minor children) or related businesses may be assessed fees based on the total balance of all accounts.

### **Betterment for Advisors Platform:**

Betterment charges an asset-based wrap fee on amounts invested via the Betterment for Advisors Platform that is tiered based on the aggregate balance of all of Worthen Financial Advisors, Inc. client accounts at Betterment. The services included for the wrap fee include all of the services provided by Worthen Financial Advisors, Inc., Betterment and Betterment Securities through the Betterment for Advisors platform, including advisory services, custody of assets, execution and clearing of transactions, and account reporting. Betterment collects wrap fees directly from Clients pursuant to the terms of the sub-advisory agreement between Betterment and each Client. The asset based wrap fee is charged quarterly in arrears. Clients utilizing the Betterment for Advisors platform may pay a higher aggregate fee than if the advisory, custodial, trade execution, and other services were purchased separately. Advisors with clients on this pricing structure typically also pay a fixed monthly fee to Betterment. Betterment remits Worthen Financial Advisors, Inc. portion of the fee directly to Worthen Financial Advisors, Inc.

Additional information regarding Betterment's fees and compensation is described in Betterment's Form ADV Part 2A and Appendix 1 of Form ADV Part 2A.

#### **Employee Benefit Retirement Plan Services:**

The annual fee for plan services will be charged as a percentage of assets within the plan.

Following is the fee schedule for Retirement plan clients engaging both Worthen Financial Advisors, Inc.

<b>Assets Under Management</b>	<b>Buckingham Strategic Partners' Annual Fee</b>	<b>Worthen Financial Advisors, Inc.'s Annual Fee</b>	<b>Total Annual Fee</b>
On the first \$1,000,000	0.20%	0.70%	0.90%
On the next \$4,000,000	0.15%	0.45%	0.60%
On the next \$5,000,000	0.08%	0.25%	0.33%
On all amounts above \$10,000,000	0.05%	0.15%	0.20%

The Betterment Entities collect Service Fees directly from Clients pursuant to the terms of the Master Services Agreement between the Betterment Entities and each Client. Clients utilizing the Betterment at Work platform may pay a higher aggregate fee than if the advisory, custodial, trade execution, and other services were purchased separately.

#### **Financial Planning and Consulting Services:**

Worthen Financial Advisors, Inc. Financial Planning and Consulting fees are determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Financial planning and consulting fees will be charged in one of two ways:

1. On an hourly basis ranging from \$100 to \$300 per hour.
2. As a fixed fee, typically, \$3,000, depending on the nature and complexity of the engagement, the number of financial planning topic analysis areas requested by the Client, the amount of hours to complete the engagement and the different reports to be produced. Fixed fees shall be mutually agreed upon with Client.

An estimate for total hours may be determined at the start of the advisory relationship. 50% of the estimated fee may be due upon signing the advisory agreement, with the balance due upon presentation of the plan to the client. Worthen Financial Advisors, Inc. will never hold client funds greater than \$500 for more than six months in advance of completion of the financial plan.

The Financial Monitoring Subscriptions are \$99 per month. Complex situations will be agreed upon based on services provided.

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

Worthen Financial Advisors, Inc. does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). All fees are calculated as described above and are not charged on the basis of income or capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

Betterment for Advisors does not charge performance-based fees.

## **Item 7 – Types of Clients**

Worthen Financial Advisors, Inc. provides services to individuals, high net worth individuals, trusts, and small businesses.

Worthen Financial Advisors, Inc. does not have an established minimum income level for our engagements, nor do we require a minimum asset level to open and maintain an investment account with our firm.

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

### *Methods of Analysis and Investment Strategy*

Worthen Financial Advisors, Inc.'s services are based on long-term investment strategies incorporating the principles of Modern Portfolio Theory. Worthen Financial Advisors, Inc.'s investment approach is firmly rooted in the belief that markets are "efficient" over periods of time and that investors' long-term returns are determined principally by asset allocation decisions, rather than market timing or stock picking. Worthen Financial Advisors, Inc. recommends diversified portfolios, principally through the use of passively managed, asset class mutual funds. Worthen Financial Advisors, Inc. selects or recommends to clients portfolios of securities, principally broadly-traded open end mutual funds or conservative fixed income securities to implement this investment strategy.

Although all investments involve risk, Worthen Financial Advisors, Inc.'s investment advice seeks to limit risk through broad diversification among asset classes and, as appropriate for particular clients, the investment directly in conservative fixed income securities to represent the fixed income class. Worthen Financial Advisors, Inc.'s investment philosophy is designed for investors who desire a buy and hold strategy. Frequent trading of securities increases brokerage and other transaction costs that Worthen Financial Advisors, Inc.'s strategy seeks to minimize.

In the implementation of investment plans, Worthen Financial Advisors, Inc. therefore primarily uses mutual funds and, as appropriate, portfolios of conservative fixed income securities. Worthen Financial Advisors, Inc. may also utilize Exchange Traded Funds (ETFs) to represent a market sector.

Clients may hold or retain other types of assets as well, and Worthen Financial Advisors, Inc. may offer advice regarding those various assets as part of its services. Advice regarding such assets will generally not involve asset management services but may help to more generally assist the client.

Worthen Financial Advisors, Inc.'s strategies do not utilize securities that we believe would be classified as having any unusual risks and we do not recommend frequent trading, which can increase brokerage and other costs and taxes.

Worthen Financial Advisors, Inc. receives supporting research from BSP and from other consultants, including economists affiliated with Dimensional Fund Advisors ("DFA"). Worthen Financial Advisors, Inc. utilizes DFA mutual funds in client portfolios. DFA mutual funds follow a passive asset class investment philosophy with low holdings turnover. DFA provides historical market analysis, risk/return analysis, and continuing education to Worthen Financial Advisors, Inc.

#### *Analysis of a Client's Financial Situation*

In the development of investment plans for clients, including the recommendation of an appropriate asset allocation, Worthen Financial Advisors, Inc. relies on an analysis of the client's financial objectives, current and estimated future resources, and tolerance for risk. To derive a recommended asset allocation, Worthen Financial Advisors, Inc. may use a Monte Carlo simulation, a standard statistical approach for dealing with uncertainty. As with any other methods used to make projections into the future, there are several risks

associated with this method, which may result in the client not being able to achieve their financial goals. They include:

- The risk that expected future cash flows will not match those used in the analysis
- The risk that future rates of return will fall short of the estimates used in the simulation
- The risk that inflation will exceed the estimates used in the simulation
- For taxable clients, the risk that tax rates will be higher than was assumed in the analysis

### Risk of Loss

#### **Investing in securities involves risk of loss that clients should be prepared to bear.**

All investments present the risk of loss of principal – the risk that the value of securities (mutual funds, ETFs and individual bonds), when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment.

The mutual funds and ETFs utilized by Worthen Financial Advisors, Inc. may include funds invested in domestic and international equities, including real estate investment trusts (REITs), corporate and government fixed income securities and commodities. Equity securities may include large capitalization, medium capitalization and small capitalization stocks. Mutual funds and ETF shares invested in fixed income securities are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

Among the riskiest mutual funds used in Worthen Financial Advisors, Inc.'s investment strategies funds are the U.S. and International small capitalization and small capitalization value funds, emerging markets funds, and commodity futures funds. Conservative fixed income securities have lower risk of loss of principal, but most bonds (with the exception of Treasury Inflation Protected Securities, or TIPS) present the risk of loss of purchasing power through lower expected return. This risk is greatest for longer-term bonds.

Certain funds utilized by Worthen Financial Advisors, Inc. may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be greater with investments in developing countries.

#### **Betterment for Advisors Platform:**

Betterment for Advisors makes available three categories of securities portfolio strategies: Betterment Constructed Portfolios, Third-Party Portfolios, and Custom Portfolios.

- Betterment Constructed Portfolios are portfolios composed of securities for which Betterment selects the underlying securities and weightings of those securities associated with particular allocations. Betterment Constructed Portfolios are composed of publicly traded ETF securities.

- Third-Party Portfolios are portfolio strategies that are constructed and updated by third-party managers. Betterment does not select the underlying securities in Third-Party Portfolios but periodically reviews the Third-Party Portfolios to ensure that the portfolios remain consistent with the portfolio objectives identified by the third-party manager.
- Custom Portfolios are Advisor-designed custom portfolios that Worthen Financial Advisors, Inc. is able to construct. A Custom Portfolio consists of a set or multiple sets of securities and allocations with underlying return and volatility assumptions that are either (i) provided by Worthen Financial Advisors, Inc. to Betterment or (ii) defaulted to Betterment's capital markets assumptions if Worthen Financial Advisors, Inc. does not provide assumptions. For any Advisor and/or Client who elects a Custom Portfolio, Betterment will allocate the Client's assets in accordance with the Custom Portfolio. For Custom Portfolios, Worthen Financial Advisors, Inc. and not Betterment is responsible for ensuring the Custom Portfolio (1) is suitable for its Clients, and (2) is constructed and managed in a manner consistent with the Client's financial situation and investment objectives. For certain DFA-authorized Advisors on the Betterment for Advisors platform, an Advisor may design a Custom Portfolio constructed entirely of DFA mutual funds and ETFs (such Custom Portfolio, a "DFA Portfolio"). Betterment does not independently review and/or approve Advisor-built Custom Portfolios.

For additional information on the current investment strategies Betterment offers, please refer to Betterment's Form ADV Part 2A. All investing involves risks. Betterment's Form ADV Part 2A discusses risks inherent in all investing. Please review this section in detail.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Worthen Financial Advisors, Inc. or the integrity of Worthen Financial Advisors, Inc.'s management. Worthen Financial Advisors, Inc. has no information applicable to this Item.

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

BSP: As described above in Item 4, Worthen Financial Advisors, Inc. may exercise discretionary authority provided by a client to select an independent third-party investment manager for the management of portfolios of securities. Worthen Financial Advisors, Inc. selects BSP for such sub-advisory management. Worthen Financial Advisors, Inc. also contracts with BSP for back-office services and assistance with portfolio modeling. Worthen Financial Advisors, Inc. has a fiduciary duty to select qualified and appropriate managers in the client's best interest and believes that BSP effectively provides both the back-office services that assist with its overall investment advisory practice and sub-advisory services. The management of Worthen Financial



Advisors, Inc. continuously analyzes and assesses the use of BSP in this capacity. While Worthen Financial Advisors, Inc. has a contract with BSP governing a time period for back office services, Worthen Financial Advisors, Inc. has no such fixed commitment to the selection of BSP for sub-advisory services and may select another investment manager for clients upon reasonable notice to BSP.

#### Individual Insurance License

E.B. Worthen Insurance Group, Inc. (doing business as Worthen Insurance Group) is an affiliated insurance agency considered under common control with our advisory firm via Ms. Johnson. In her separate capacity as Owner of Worthen Insurance Group, Angela Johnson receives a salary. She does not personally sell any products, cause any products to be sold or receive any commissions. She does not implement insurance product transactions on behalf of advisory clients, nor does she refer advisory clients to Worthen Insurance Group. Ms. Johnson utilizes her insurance license for advisory purposes, and clients are not under any obligation to engage Worthen Insurance Group when considering the implementation of insurance recommendations. The implementation of any and all coverage recommendations is solely at the discretion of the client.

While this individual endeavors at all times to put the interest of the clients first as part of Worthen Financial Advisors, Inc. fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect the judgment of this individual when making recommendations.

#### Individual Outside Business Activities

Certain individuals of Worthen Financial Advisors, Inc. also participate in other business activities which have no material relationship to Worthen Financial Advisors, Inc. and its services. Please see the attached Form ADV Part 2B (Brochure Supplement) documents.

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

Worthen Financial Advisors, Inc. has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Worthen Financial Advisors, Inc. must acknowledge the terms of the Code of Ethics annually, or as amended.

Worthen Financial Advisors, Inc. or individuals associated with Worthen Financial Advisors, Inc. may buy or sell securities identical to those recommended to customers for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client. It is the expressed policy of Worthen Financial Advisors, Inc. that no person employed by Worthen

Financial Advisors, Inc. will take inappropriate advantage of their positions, and the interests of client accounts will be placed first at all times.

Worthen Financial Advisors, Inc. anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Worthen Financial Advisors, Inc. has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Worthen Financial Advisors, Inc., its affiliates and/or clients, directly or indirectly, have a position of interest. Worthen Financial Advisors, Inc.'s employees and persons associated with Worthen Financial Advisors, Inc. are required to follow Worthen Financial Advisors, Inc.'s Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Worthen Financial Advisors, Inc. and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Worthen Financial Advisors, Inc.'s clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Worthen Financial Advisors, Inc. will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Worthen Financial Advisors, Inc.'s clients. In addition, the Code requires pre-clearance of certain transactions. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Worthen Financial Advisors, Inc. and its clients.

Worthen Financial Advisors, Inc. will provide a complete copy of its Code of Ethics to any client or prospective client upon request.

It is Worthen Financial Advisors, Inc.'s policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Worthen Financial Advisors, Inc. will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated private fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by or under common control with the investment advisor, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an advisor is dually registered as a broker-dealer or has an affiliated broker-dealer.

#### **Betterment for Advisors Platform:**

As part of our relationship with Betterment and Betterment Securities, Betterment may offer services intended to help manage and further develop our business enterprise, such as additional advisory services,

access to webinars, and advice about using the Betterment for Advisors platform to grow our business. Betterment may offer different or expanded services in the future. These services could create an incentive for us to recommend that Clients invest through the Betterment for Advisors platform. This is a potential conflict given that Worthen Financial Advisors, Inc.'s interest in recommending Betterment could be influenced by the receipt of Betterment's and/or Betterment Securities' services to our business. Additionally, Betterment may offer discounted pricing to our Clients based on the total combined assets of all of Worthen Financial Advisors, Inc.'s or our firm's Clients on the Betterment for Advisors platform. Other potential conflicts may exist regarding our use of the Betterment for Advisors platform.

## **Item 12 – Brokerage Practices**

Worthen Financial Advisors, Inc. arranges for the execution of securities transactions with the operational assistance of BSP. Through BSP, Worthen Financial Advisors, Inc. may participate in the Schwab Advisor Services (SAS) services program offered to independent investment advisors by Charles Schwab & Company, Inc., ("Schwab"). Each offer to independent advisers services which include custody of securities, trade execution, clearance and settlement transactions.

The Schwab brokerage program will generally be recommended to advisory clients for the execution of mutual fund and equity securities transactions. Worthen Financial Advisors, Inc. regularly reviews these programs to ensure that its recommendations are consistent with its fiduciary duty. These trading platforms are essential to Worthen Financial Advisors, Inc.'s service arrangements and capabilities, and Worthen Financial Advisors, Inc. may not accept clients who direct the use of other brokers. As part of these programs, Worthen Financial Advisors, Inc. receives benefits that it would not receive if it did not offer investment advice (See the disclosure under Item 14 of this Brochure).

As Worthen Financial Advisors, Inc. will not request the discretionary authority to determine the broker dealer to be used or the commission rates to be paid for mutual fund and equity securities transactions, clients must direct Worthen Financial Advisors, Inc. as to the broker dealer to be used. In directing the use of a particular broker or dealer, it should be understood that Worthen Financial Advisors, Inc. will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. Not all investment advisers require clients to direct the use of specific brokers.

Worthen Financial Advisors, Inc. will not exercise authority to arrange client transactions in fixed income securities. Clients will provide this authority to a fixed income manager retained by Worthen Financial Advisors, Inc. on client's behalf by designating the portfolio manager with trading authority over client's brokerage account. Clients will be provided with the Disclosure Brochure (Form ADV Part 2) of portfolio manager.

Schwab does not generally charge clients a custody fee and is compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through the broker or

that settle into the clients' accounts at the broker. Trading client accounts through other brokers may result in fees (including mark-ups and mark-downs) being charged by the custodial broker and an additional broker. While Worthen Financial Advisors, Inc. will not arrange transactions through other brokers, the authority of the fixed income portfolio manager includes the ability to trade client fixed income assets through other brokers.

Worthen Financial Advisors, Inc. also does not have any arrangements to compensate any broker dealer for client referrals.

When trading client accounts, errors may periodically occur. Worthen Financial Advisors, Inc. does not maintain any client trade error gains. Worthen Financial Advisors, Inc. makes client whole with respect to any trade error losses incurred by client and caused by Worthen Financial Advisors, Inc.

Worthen Financial Advisors, Inc. generally does not aggregate any client transactions in mutual fund or other securities. Client accounts are individually reviewed and managed, and transaction costs are not saved by aggregating orders in almost all circumstances in which Worthen Financial Advisors, Inc. arranges transactions. BSP, in the management of fixed income portfolios, will aggregate certain transactions among client accounts that it manages, in which case a Worthen Financial Advisors, Inc. client's order may be aggregated with an order for another client of BSP who is not a Worthen Financial Advisors, Inc. client. See BSP's Form ADV Part 2.

#### **Betterment for Advisors Platform:**

With respect to the Betterment wrap program, Betterment Securities is responsible for execution of securities transactions and maintains custody of customer assets. Betterment Securities exercises no discretion in determining if and when trades are placed; it places trades only at the direction of Betterment. Clients should understand that the appointment of Betterment Securities as the broker for their accounts held at Betterment may result in their receiving less favorable trade executions than may be available through the use of broker-dealers that are not affiliated with Betterment. If Worthen Financial Advisors, Inc.'s Clients do not wish to place assets with or execute trades through Betterment Securities, then Betterment cannot manage Client accounts on the Betterment for Advisors platform.

**Order Aggregation:** With respect to traditional securities portfolios, Betterment places aggregated orders involving multiple Betterment accounts trading in the same securities. Orders for the purchase or sale of securities are routed by Betterment Securities to Apex Clearing Corporation ("Apex"), the clearing broker used by Betterment Securities, for managed execution. Apex is entitled to receive payments or rebates on orders from Betterment Securities, but Apex does not pass on to Betterment Securities any portion of such payments.

Betterment Securities maintains custody of Clients' traditional securities and cash assets that are managed by Betterment. Account statements are available for review on the activity section of the Advisor Dashboard and for Clients in their Betterment accounts. Clients receive periodic emails from Betterment with information

about their accounts as well as links to account statements. We encourage Clients to carefully and promptly review those statements. Clients with IRAs also agree to specific custodial agreements with Millennium Trust Company, who serves as the custodian for Betterment IRA accounts.

Research and Soft Dollar Benefits: Worthen Financial, Inc does not participate in any soft-dollar arrangements or receive benefits in connection with Client securities transactions.

Additional information regarding Betterment Securities can be found on FINRA's BrokerCheck.

#### **Employee Benefit Plan Services:**

For non-pooled employee benefit plans, Worthen Financial Advisors, Inc. does not arrange for the execution of securities transactions for plans as a part of this service. Transactions are executed directly through employee plan participation.

#### **Financial Planning Services:**

Worthen Financial Advisors, Inc. financial planning practice, due to the nature of its business and client needs, does not include blocking trades, negotiating commissions with broker dealers or obtaining volume discounts, nor necessarily obtaining the best price. Clients will be required to select their own broker dealers and insurance companies for the implementation of financial planning recommendations. Worthen Financial Advisors, Inc. may recommend any one of several brokers. Worthen Financial Advisors, Inc. clients must independently evaluate these brokers before opening an account. The factors considered by Worthen Financial Advisors, Inc. when making this recommendation are the broker's ability to provide professional services, Worthen Financial Advisors, Inc. experience with the broker, the broker's reputation, and the broker's financial strength, among other factors. Worthen Financial Advisors, Inc. financial planning clients may use any broker or dealer of their choice.

## **Item 13 – Review of Accounts**

### **Reviews**

#### **Investment Management Services:**

Account assets are supervised continuously and formally reviewed at least quarterly by the CCO. The review process contains each of the following elements:

- assessing client goals and objectives;
- evaluating the employed strategy(ies);
- monitoring the portfolio(s); and
- addressing the need to rebalance.

Additional account reviews may be triggered by any of the following events:

- a specific client request;
- a change in client goals and objectives;
- an imbalance in a portfolio asset allocation; and
- market/economic conditions.

For fixed income portfolios, certain account review responsibilities are delegated to a third-party investment manager as described above in Item 4.

**Employee Benefit Plan Services:**

Retirement plan assets are reviewed no more than quarterly, and according to the standards and situations described above for investment management accounts.

**Financial Planning Services:**

Financial planning accounts will be reviewed as contracted for at the inception of the advisory relationship.

**Reports**

**Investment Management Services:**

Clients will receive at least quarterly statements from their account custodian, which will outline the client's current positions and current market value.

**Employee Benefit Plan Services:**

Plan sponsors are provided with quarterly information and annual performance reviews from Worthen Financial Advisors, Inc. In addition, plan participant education information may also be provided to the Plan Sponsor or Administrator for distribution to the participants of the plan.

**Financial Planning Services:**

Financial planning clients will receive reports as contracted for at the inception of the advisory relationship.

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

As indicated under the disclosure for Item 12, Schwab provides Worthen Financial Advisors, Inc. with access to services, which are not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge to them.

These services benefit Worthen Financial Advisors, Inc. but may not benefit its clients' accounts. Many of the products and services assist Worthen Financial Advisors, Inc. in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Worthen Financial Advisors, Inc.'s fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of Worthen Financial Advisors, Inc.'s accounts. Recommended brokers also make available to Worthen Financial Advisors, Inc. other services intended to help Worthen Financial Advisors, Inc. manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. Worthen Financial Advisors, Inc. does not, however, enter into any commitments with the brokers for transaction levels in exchange for any services or products from brokers. While as a fiduciary, Worthen Financial Advisors, Inc. endeavors to act in its clients' best interests, Worthen Financial Advisors, Inc.'s requirement that clients maintain their assets in accounts at Schwab may be based in part on the benefit to Worthen Financial Advisors, Inc. of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the brokers, which may create a potential conflict of interest.

Worthen Financial Advisors, Inc. also receives software from DFA, which Worthen Financial Advisors, Inc. utilizes in forming asset allocation strategies and producing performance reports. DFA also provides continuing education for Worthen Financial Advisors, Inc. personnel. These services are designed to assist Worthen Financial Advisors, Inc. plan and design its services for business growth.

As previously disclosed, the President/CCO of Worthen Financial Advisors, Inc., in her individual capacity, is a licensed insurance agent. As such, this individual will be able to receive separate, yet customary commission compensation resulting from implementing insurance product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Worthen Financial Advisors, Inc. does not engage in any referral arrangements.

**Betterment for Advisors and B4B Platform:**

Worthen Financial Advisors, Inc. may be deemed to give Betterment an indirect benefit in the form of the asset-based fees Betterment receives from Worthen Financial Advisors, Inc.'s Clients on the Betterment for Advisors platform. Worthen Financial Advisors, Inc. also receives a non-economic benefit from Betterment in the form of the support products and services Betterment makes available to us.

## Item 15 – Custody

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

Betterment Securities maintains custody of Clients' assets that are managed by Betterment. Clients receive periodic emails from Betterment with information about their accounts as well as links to account statements. Clients are encouraged to carefully review those statements promptly.

## Item 16 – Investment Discretion

Worthen Financial Advisors, Inc. requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold. For sub-advisory services, this authority will include the discretion to retain a third-party money manager. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

When selecting securities and determining amounts, Worthen Financial Advisors, Inc. observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to Worthen Financial Advisors, Inc. in writing.

### **Betterment for Advisors and B4B Platform:**

Betterment uses algorithms to advise Clients and manage their accounts. These algorithms are developed, overseen, and monitored by Betterment's investment advisory personnel. Betterment provides Advisors and Clients with information about its offered portfolio strategies to inform their decision-making but does not make recommendations to Clients that they invest in any particular strategy. Each portfolio is associated with a target allocation of investment types and/or asset classes but you or Clients can modify Betterment's initial target allocation as desired. If Advisor places a Client in a Custom Portfolio, Betterment will allocate the Client's accounts in accordance with Advisor's parameters specified in the Custom Portfolio rather than based on Betterment's own investment methodology.

In the absence of a contrary direction, Betterment periodically rebalances Client portfolios so that in the face of fluctuating market prices each Client's portfolio remains within a range of the target allocation. Betterment also offers optional tax loss harvesting and automated asset location services. Clients will have fewer



opportunities to harvest tax losses if an Advisor elects for that Client a Custom Portfolio strategy with fewer asset classes than are included in the Betterment portfolio strategy.

## **Item 17 – Voting Client Securities**

Proxy Voting: As a matter of firm policy and practice, Worthen Financial Advisors, Inc. does not accept the authority to and does not vote proxies on behalf of advisory client. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Clients will receive applicable proxies directly from the issuer of securities held in clients' investment portfolios. Worthen Financial Advisors, Inc., however, may provide advice to clients regarding the clients' voting of proxies.

Class Actions, Bankruptcies and Other Legal Proceedings: Clients should note that Worthen Financial Advisors, Inc. will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct Worthen Financial Advisors, Inc. to transmit copies of class action notices to the client or a third party. Upon such direction, Worthen Financial Advisors, Inc. will make commercially reasonable efforts to forward such notices in a timely manner.

### **Betterment for Advisors and B4B Platform:**

For assets managed on the Betterment for Advisors platform, Clients delegate to Betterment the authority to receive and vote all proxies and related materials for any security held in Betterment accounts. Betterment maintains policies and procedures reasonably designed to mitigate conflicts of interest and reasonably ensure that proxy matters are conducted in the best interest of Clients.

Betterment will only vote on proxies and respond to corporate actions associated with securities that Betterment currently selects for Betterment Constructed Portfolios (as defined above) and will abstain from voting on other securities, including but not limited to those securities only present in third-party portfolios, Advisor custom portfolios, or securities transferred to Betterment via ACATS, in each case that are not already supported in a Betterment Constructed Portfolio. If a security is present in Betterment Constructed Portfolios and outside of Betterment Constructed Portfolios, Betterment will vote on proxies associated with that security in all portfolios in which it is held. Betterment will abstain from voting on such proxies if it determines that abstaining is in the best interest of its clients.

Additional information about proxy matters is contained in Betterment's Form ADV Part 2A.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or

disclosures about Worthen Financial Advisors, Inc.'s financial condition. Worthen Financial Advisors, Inc. has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

Worthen Financial Advisors, Inc. does not require or solicit payment of more than \$500 in fees per client, six months or more in advance.

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

The education and business background for individuals of Worthen Financial Advisors, Inc. are supplied on the Form ADV Part 2B Brochure Supplement.

Worthen Financial Advisors, Inc. is not involved in any other business other than providing investment advice.

Worthen Financial Advisors, Inc. does not charge any performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Neither Worthen Financial Advisors, Inc., nor its management persons have 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.

Neither Worthen Financial Advisors, Inc., nor its management persons, has any relationship or arrangement with issuers of securities.

Item 1- Cover Page

**Angela Johnson, CFP®**

Worthen Financial Advisors, Inc.

104 Melody Lane  
Friendswood, TX 77546

832-895-1188

June 26, 2023

This Brochure Supplement provides information about Angela Johnson that supplements the Worthen Financial Advisors, Inc. You should have received a copy of that Brochure. Please contact Angela Johnson if you did not receive Worthen Financial Advisors, Inc.'s Brochure or if you have any questions about the contents of this supplement.

Additional information about Angela Johnson (CRD #4928336) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2- Educational Background and Business Experience

**Angela Johnson**

Born: 1972

**Education:**

University of Houston – Clear Lake; Bachelor of Arts

**Business Background:**

Worthen Financial Advisors, Inc.

President/Chief Compliance Officer/Texas Designated Officer/IAR; August 2021 - Present

E.B. Worthen Insurance Group, Inc.

President/Agent; August 2021 - Present

Angela Johnson Insurance Agency, Inc.

President/Agent; May 2011 - Present

Farmers Financial Solutions, Inc.

Registered Representative; March 2005 – September 2021

**CFP - Certified Financial Planner (CFP®)**

I am certified for financial planning services in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board"). Therefore, I may refer to myself as a CERTIFIED FINANCIAL PLANNER™ professional or a CFP® professional, and I may use these and CFP Board's other certification marks (the "CFP Board Certification Marks"). CFP® certification is voluntary. No federal or state law or regulation requires financial planners to hold CFP® certification. You may find more information about CFP® certification at [www.cfp.net](http://www.cfp.net).

CFP® professionals have met CFP Board's high standards for education, examination, experience, and ethics. To become a CFP® professional, an individual must fulfill the following requirements:

- Education – Earn a bachelor's degree or higher from an accredited college or university and complete CFP Board-approved coursework at a college or university through a CFP Board Registered Program. The coursework covers the financial planning subject areas CFP Board has determined are necessary for the competent and professional delivery of financial planning services, as well as a comprehensive financial plan development capstone course. A candidate may satisfy some of the coursework requirement through other qualifying credentials.
- Examination – Pass the comprehensive CFP® Certification Examination. The examination is designed to assess an individual's ability to integrate and apply a broad base of financial planning knowledge in the context of real-life financial planning situations.
- Experience – Complete 6,000 hours of professional experience related to the personal financial planning process, or 4,000 hours of apprenticeship experience that meets additional requirements.
- Ethics – Satisfy the Fitness Standards for Candidates for CFP® Certification and Former CFP® Professionals Seeking Reinstatement and agree to be bound by CFP Board's Code of Ethics and Standards of Conduct ("Code and Standards"), which sets forth the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements to remain certified and maintain the right to continue to use the CFP Board Certification Marks:

- Ethics – Commit to complying with CFP Board's Code and Standards. This includes a commitment to CFP Board, as part of the certification, to act as a fiduciary, and therefore, act in the best interests of the client, at all times when providing financial advice and financial planning. CFP Board may sanction a CFP® professional who does not abide by this commitment, but CFP Board does not guarantee a CFP® professional's services. A client who seeks a similar commitment should obtain a written engagement that includes a fiduciary obligation to the client.

- Continuing Education – Complete 30 hours of continuing education hours every two years to maintain competence, demonstrate specified levels of knowledge, skills, and abilities, and keep up with developments in financial planning. Two of the hours must address the Code and Standards.

### **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events (criminal or civil action, administrative proceeding, and self-regulatory proceeding) that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item for Ms. Johnson.

### **Item 4- Other Business Activities**

Angela Johnson is an independent insurance agent, and, while the primary focus is on home and auto insurance, in this capacity, Ms. Johnson has the ability to recommend insurance, advisory, or other products, and receive commissions and other compensation if products are purchased through any firms with which Ms. Johnson is affiliated. Thus, a potential conflict of interest may exist between the interests of Ms. Johnson and those of the advisory clients. However, clients are under no obligation to act upon any recommendations of Ms. Johnson or effect any transactions through Ms. Johnson if they decide to follow such recommendations.

Angela Johnson is the majority interest partner in closely held Texas limited partnership Eva Marie Enterprises, LP; a Friendswood, TX entity that owns the firm's office building and pays its operational costs, etc. Ms. Johnson is also the President and majority interest shareholder in the Friendswood, TX entity E.B. Worthen Group, Inc.; a general management company that provides administrative and payroll services for the firm's affiliated insurance agencies, administrative staff, and office building.

### **Item 5- Additional Compensation**

Angela Johnson is compensated as the owner/President of Worthen Financial Advisors, Inc. Ms. Johnson does not receive compensation from any third parties for providing investment advice to clients.

### **Item 6 - Supervision**

Ms. Johnson is registered as an investment advisor representative and provides investment advice to clients. Ms. Johnson's accounts are subject to regular review and verification that asset balances are being managed in accordance with a client's investment guidelines. Ms. Johnson can be reached at 832-895-1188.

### **Item 7- Requirements for State-Registered Advisers**

State registered advisers are required to disclose all material facts regarding certain arbitration events, proceedings, or bankruptcy petitions. No information is applicable to this Item for Angela Johnson.

Item 1- Cover Page

**Eloy Anthony Hernandez, CFP®**

Worthen Financial Advisors, Inc.

104 Melody Lane  
Friendswood, TX 77546

832-895-1188

January 11, 2024

This Brochure Supplement provides information about Eloy Anthony Hernandez that supplements the Worthen Financial Advisors, Inc. You should have received a copy of that Brochure. Please contact Eloy Anthony Hernandez if you did not receive Worthen Financial Advisors, Inc.'s Brochure or if you have any questions about the contents of this supplement.

Additional information about Eloy Anthony Hernandez (CRD #7425508) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2- Educational Background and Business Experience**

**Eloy Anthony Hernandez**

Born: 2000

**Education:**

University of Houston; Bachelor of Arts in Finance

**Business Background:**

Worthen Financial Advisors, Inc.

Investment Advisor Representative; November 2023 - Present

Worthen Group, Inc.

Client Services Associate; November 2021 - Present

Northwestern Mutual

Financial Representative Intern; August 2021 – November 2021

**CFP - Certified Financial Planner (CFP®)**

I am certified for financial planning services in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board"). Therefore, I may refer to myself as a CERTIFIED FINANCIAL PLANNER™ professional or a CFP® professional, and I may use these and CFP Board's other certification marks (the "CFP Board Certification Marks"). CFP® certification is voluntary. No federal or state law or regulation requires financial planners to hold CFP® certification. You may find more information about CFP® certification at [www.cfp.net](http://www.cfp.net).

CFP® professionals have met CFP Board's high standards for education, examination, experience, and ethics. To become a CFP® professional, an individual must fulfill the following requirements:

- **Education** – Earn a bachelor's degree or higher from an accredited college or university and complete CFP Board-approved coursework at a college or university through a CFP Board Registered Program. The coursework covers the financial planning subject areas CFP Board has determined are necessary for the competent and professional delivery of financial planning services, as well as a comprehensive financial plan development capstone course. A candidate may satisfy some of the coursework requirement through other qualifying credentials.
- **Examination** – Pass the comprehensive CFP® Certification Examination. The examination is designed to assess an individual's ability to integrate and apply a broad base of financial planning knowledge in the context of real-life financial planning situations.
- **Experience** – Complete 6,000 hours of professional experience related to the personal financial planning process, or 4,000 hours of apprenticeship experience that meets additional requirements.
- **Ethics** – Satisfy the Fitness Standards for Candidates for CFP® Certification and Former CFP® Professionals Seeking Reinstatement and agree to be bound by CFP Board's Code of Ethics and Standards of Conduct ("Code and Standards"), which sets forth the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements to remain certified and maintain the right to continue to use the CFP Board Certification Marks:

- **Ethics** – Commit to complying with CFP Board's Code and Standards. This includes a commitment to CFP Board, as part of the certification, to act as a fiduciary, and therefore, act in the best interests of the client, at all times when providing financial advice and financial planning. CFP Board may sanction a CFP® professional who does not abide by this commitment, but CFP Board does not guarantee a CFP® professional's services. A client who seeks a similar commitment should obtain a written engagement that includes a fiduciary obligation to the client.
- **Continuing Education** – Complete 30 hours of continuing education hours every two years to maintain competence, demonstrate specified levels of knowledge, skills, and abilities, and keep up with developments in financial planning. Two of the hours must address the Code and Standards.

### **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events (criminal or civil action, administrative proceeding, and self-regulatory proceeding) that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item for Mr. Hernandez.

#### **Item 4- Other Business Activities**

Mr. Hernandez is not involved in any other business activities outside of his employment with Worthen Financial Advisors, Inc.

#### **Item 5- Additional Compensation**

Eloy Anthony Hernandez is compensated as an Investment Advisor Representative of Worthen Financial Advisors, Inc. Mr. Hernandez does not receive compensation from any third parties for providing investment advice to clients.

#### **Item 6 - Supervision**

Mr. Hernandez is registered as an investment advisor representative of Worthen Financial Advisors, Inc. Mr. Hernandez is supervised by Angela Worthen, President of Worthen Financial Advisors. Mr. Hernandez's client accounts are subject to regular review and verification that asset balances are being managed in accordance with a client's investment guidelines.

Angela Worthen can be reached at 104 Melody Lane, Friendswood, TX 77546. Her telephone number is 832-895-1188.

#### **Item 7- Requirements for State-Registered Advisers**

State registered advisers are required to disclose all material facts regarding certain arbitration events, proceedings, or bankruptcy petitions. No information is applicable to this Item for Eloy Anthony Hernandez.



# Worthen Financial Advisors, Inc.

## Privacy Policy

Worthen Financial Advisors, Inc. is committed to client confidentiality and the protection of your privacy. The following information is provided, as required by law, to help you understand our privacy policy and how we will handle and maintain confidential personal information as we fulfill our obligations to protect your privacy. "Personal information" refers to the nonpublic financial information obtained by Worthen Financial Advisors, Inc. in connection with carrying out our services.

### Information We Collect

Worthen Financial Advisors, Inc. collects personal information as part of our relationship with you in order to provide client services and fulfill legal and regulatory requirements. The type of information Worthen Financial Advisors, Inc. collects may include:

- Information Worthen Financial Advisors, Inc. receives from you on forms (such as your name, address, Social Security number, profile documents, assets and income);
- Information you provide Worthen Financial Advisors, Inc. directly about your personal finances or personal circumstances or which Worthen Financial Advisors, Inc. may receive from brokerage statements or other information you authorize Worthen Financial Advisors, Inc. to receive.

### Information Disclosed in Administering Products and Services

Worthen Financial Advisors, Inc. shares your personal information for everyday business purposes, including to process transactions, maintain your account, respond to court orders or legal investigations or report to credit bureaus as well as for our marketing purposes. Worthen Financial Advisors, Inc. does not sell any personal information about you to any third party. Worthen Financial Advisors, Inc. may share personal information with our affiliates to market to you. Other than to service your account, Worthen Financial Advisors, Inc. will not disclose personal information to non-affiliated third parties without your authorization, except as required or permitted by law.

### Procedures to Protect Confidentiality and Security of Your Personal Information

Worthen Financial Advisors, Inc. has procedures in place that limit access to personal information to those employees who need to know such information in order to perform business services. To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. In addition, Worthen Financial Advisors, Inc. maintains physical, electronic and procedural safeguards to guard your nonpublic personal information.

Worthen Financial Advisors, Inc. will update its policy and procedures when necessary to ensure that your privacy is maintained and that Worthen Financial Advisors, Inc. conducts business in a way that fulfills our commitment to you. If Worthen Financial Advisors, Inc. makes any material changes in its privacy policy, we will provide you notice of any material change to this policy.

If you have questions, please contact Angela Johnson at (832) 895-1188.