

**Item 1: Cover Page  
Part 2A of Form ADV: Firm Brochure**

**WealthCare Asset Management, LLC  
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**April 24, 2025**

This brochure provides information about the qualifications and business practices of WealthCare Asset Management, LLC. If clients have any questions about the contents of this brochure, please contact us at 417-865-0936 or [PriorityCare@WealthCareCorp.com](mailto:PriorityCare@WealthCareCorp.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 our firm is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD # 170382.

Please note that the use of the term "registered investment adviser" and description of our firm and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise clients for more information on the qualifications of our firm and our employees.

## Item 2: Material Changes

WealthCare Asset Management, LLC is required to make clients aware of information that has changed since the last annual update to the Firm Brochure (“Brochure”) and that may be important to them. Clients can then determine whether to review the brochure in its entirety or to contact us with questions about the changes.

Since the last filing of this brochure on April 21, 2025 the following has changed:

- Item 15 has been updated to clarify custody.

## Item 3: Table of Contents

<b>Item 1: Cover Page</b> .....	1
<b>Item 2: Material Changes</b> .....	2
<b>Item 3: Table of Contents</b> .....	3
<b>Item 4: Advisory Business</b> .....	4
<b>Item 5: Fees &amp; Compensation</b> .....	8
<b>Item 6: Performance-Based Fees &amp; Side-By-Side Management</b> .....	10
<b>Item 7: Types of Clients &amp; Account Requirements</b> .....	10
<b>Item 8: Methods of Analysis, Investment Strategies &amp; Risk of Loss</b> .....	11
<b>Item 9: Disciplinary Information</b> .....	14
<b>Item 10: Other Financial Industry Activities &amp; Affiliations</b> .....	14
<b>Item 11: Code of Ethics, Participation or Interest in</b> .....	15
<b>Client Transactions &amp; Personal Trading</b> .....	15
<b>Item 12: Brokerage Practices</b> .....	16
<b>Item 13: Review of Accounts or Financial Plans</b> .....	20
<b>Item 14: Client Referrals &amp; Other Compensation</b> .....	21
<b>Item 15: Custody</b> .....	21
<b>Item 16: Investment Discretion</b> .....	22
<b>Item 17: Voting Client Securities</b> .....	22
<b>Item 18: Financial Information</b> .....	22
<b>Item 1: Cover Page</b> .....	23
<b>Part 2B of Form ADV: Brochure Supplement</b> .....	23

## Item 4: Advisory Business

Our firm is dedicated to providing individuals and other types of clients with a wide array of investment advisory services. Our firm is a limited liability company formed under the laws of the State of Missouri in 2014 and has been in business as an investment adviser since that time. Our firm is wholly owned by Barry Watts.

Our firm provides asset management and investment consulting services for many different types of clients to help meet their financial goals while remaining sensitive to risk tolerance and time horizons. As a fiduciary, it is our duty to always act in the client's best interest. This is accomplished in part by knowing the client. Our firm has established a service-oriented advisory practice with open lines of communication. Working with clients to understand their investment objectives while educating them about our process, facilitates the kind of working relationship we value.

WealthCare Asset Management, LLC's ("WealthCare") investment committee uses a variety of technical indicators including for example, average daily trading volume, high/low indicators, and the MACD. The exact combination and weighting of indicators used to make trading decisions is confidential and proprietary to the WealthCare's business model.

### **Types of Advisory Services Offered**

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#### **Asset Management:**

We provide Asset Management services only on a discretionary basis. As part of our Asset Management service, a portfolio is created, consisting of individual stocks, bonds, exchange traded funds ("ETFs"), options, mutual funds and other public and private securities or investments. The client's individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Portfolios will be designed to meet a particular investment goal, determined to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, portfolios are continuously and regularly monitored, and if necessary, rebalanced based upon the client's individual needs, stated goals and objectives.

Our firm will gather certain information from you to determine your financial situation and investment objectives. The client will be responsible for notifying us of any updates regarding their financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions; however we will contact the client at least annually to discuss any changes or updates regarding their financial situation, risk tolerance or investment objectives. WealthCare is always reasonably available to consult with you relative to the status of your Account.

When deemed appropriate for the Client, we may hire Sub-Advisors to manage all or a portion of the assets in the Client account. We have full discretion to hire and fire Sub-Advisors as we deem suitable. Sub-Advisors will maintain the models or investment strategies agreed upon between us and the Sub-Advisor. Sub-Advisors execute trades on behalf of our Client's accounts. We will be responsible for the overall direct relationship with the Client. We retain the authority to terminate the Sub-Advisor relationship at our discretion.

We also provide ancillary services to our Asset Management clients that include but are not limited to the following:

- Review of outside assets, including real estate and business holdings to ensure coordination and integration of all assets producing a wholistic risk mitigation, wealth accumulation and income production approach to wealth management.
- Coordinating bank lines of credit, establishment of home equity lines of credit and introduction of reverse mortgage resources to facilitate cash flow in all economic environments.
- Cash monitoring to assure sufficient liquidity to fund all monthly withdrawals thereby presenting any break in regular cash flow.
- Education on accelerated debt repayment plans, and facilitation of rapid debt reduction.
- Education on Social Security options and coordinating timing for maximum Social Security benefits.
- Calculation and selection guidance on pension options.
- Pension maximization strategies.
- Life insurance auditing.
- Long-term care auditing and alternative protection strategies.
- Automobile leasing vs. financing vs. purchasing analysis.
- Automating payment of life, health and long-term care deposits to ensure continuity of coverage.
- Interviewing and recommendation of attorneys and law firms for general estate planning and specialized legal matters.
- Helping clients to understand, deploy and embrace technology to ensure maximization of service fees from custodians.
- Identify theft and senior abuse mitigation.
- Ensuring RMDs are taken and calculation of proper amounts.
- Education on Medicare enrollment, options and supplemental protection.

### **Assets Held Away**

WealthCare uses 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, WealthCare will review the current account allocations. When deemed necessary, WealthCare 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.

### **Sub-Advisory Services (Legacy only, we are no longer accepting new clients)**

WealthCare may act as a sub-adviser to other non-affiliated investments advisors (Primary Advisor) who hire us to manage a portion or all of a client's portfolio. The Primary Advisor must have discretionary over the account and the ability to delegate that discretionary trading authority to WealthCare. WealthCare will manage the assets according to agreed upon strategies between WealthCare and Primary Advisor. The agreement may be terminated by either party with thirty (30) days prior written notice to the other party.

### **ERISA Plan Services**

WealthCare provides service to qualified retirement plans including 401(k) plans, 403(b) plans, pension and profit sharing plans, cash balance plans, and deferred compensation plans.

**Limited Scope ERISA 3(21) Fiduciary.** WealthCare may serve as a limited scope ERISA 3(21) fiduciary that can advise, help and assist plan sponsors with their investment decisions on a non-discretionary basis. As an investment advisor WealthCare has a fiduciary duty to act in the best interest of the Client. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using WealthCare can help the plan sponsor delegate liability by following a diligent process.

1. Fiduciary Services are:

- Provide investment advice to the Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Client will make the final decision regarding the initial selection, retention, removal and addition of investment options. WealthCare acknowledges that it is a fiduciary as defined in ERISA section 3 (21) (A) (ii).
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.
- Provide non-discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5) and 404(a)-5.
- Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- Meet with Client on a periodic basis to discuss the reports and the investment recommendations.

2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands WealthCare's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, WealthCare is not providing fiduciary advice as defined by ERISA 3(21)(A)(ii) to the Plan participants. Advisor will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

WealthCare may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Advisor and Client.

3. WealthCare has no responsibility to provide services related to the following types of assets ("Excluded Assets"):

- Employer securities;

- Real estate (except for real estate funds or publicly traded REITs);
- Stock brokerage accounts or mutual fund windows;
- Participant loans;
- Non-publicly traded partnership interests;
- Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
- Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in calculation of Fees paid to WealthCare on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.

### **Newsletters:**

WealthCare provides periodic commentaries and newsletters to both current and prospective clients discussing various topics, primarily taxes and estate planning. All communications are general and informational in nature and there are no specific products discussed or recommended. There is no charge related to our newsletter services.

### **Tailoring of Advisory Services**

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Our firm offers individualized investment advice to our Asset Management clients.

Each Asset Management client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

### **Limited Advice to Certain Types of Investments**

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WealthCare provides investment advice on the following types of investments:

- No-Load (i.e. no trading fee) and Load-Waived (i.e. trading fee waived) Mutual Fund Shares
- Exchange-listed securities (i.e. stocks)
- Unit Investment Trusts
- Securities traded over-the-counter and on exchanges (i.e. stocks)
- Fixed income securities (i.e. bonds)
- Closed-End Funds and Exchange Traded Funds (ETFs)
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- United States government securities
- Options

WealthCare does not provide advice on foreign issues, warrants, commercial paper, interests in partnerships investing in real estate and oil and gas interests, or hedge funds and other types of private (i.e. non-registered) securities.

When providing asset management services WealthCare typically constructs each client's account holdings using ETFs, individual stocks, options, bonds and mutual funds to build diversified portfolios. It is not WealthCare's typical investment strategy to attempt to time the market but we may increase cash holdings modestly as deemed appropriate, based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special

situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

### Participation in Wrap Fee Programs

Our firm does not offer or sponsor a wrap fee program.

### Regulatory Assets Under Management

Wealthcare has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$161,175,824	\$0	12/31/2024

## Item 5: Fees & Compensation

### Compensation for Our Advisory Services

#### Asset Management:

The maximum annual fee charged for this service will not exceed 3.00%. Fees to be assessed will be outlined in the advisory agreement to be signed by the client. Annualized fees are billed on a pro-rata basis quarterly in advance based on the value of the account(s) on the last day of the previous quarter. Fees are negotiable and will be deducted from client account(s). In rare cases, our firm will agree to directly invoice. As part of this process, Clients understand the following:

- a) Clients must provide our firm with written authorization permitting direct payment of advisory fees from their account(s) maintained by a custodian who is independent of our firm;
- b) The account custodian sends a statement to the client, at least quarterly, showing all account disbursements, including advisory fees.

Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty. Clients may terminate advisory services with thirty (30) days written notice. For accounts opened or closed mid-billing period, unearned fees will be refunded to the Client. Client shall be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

We may also utilize the services of a Sub-Advisor to manage Clients' investment portfolios by executing a Sub-Advisor agreement with other registered investment advisor firms. When using Sub-Advisors, the Client will pay additional fees not to exceed 0.85% annualized. Sub-Advisor may directly deduct their portion of the fee separately from ours, or the total fee will be deducted from your account by us or the Sub-Advisor paying the other party their portion of the fee. For accounts using AE Wealth Management as a Sub-Advisor the billing frequency is monthly in arrears based on average daily balance x (fee/10,000)/number of days in a year x number of invested days in a month.

#### Assets Held Away:

The maximum annual fee charged for this service will not exceed 3.00%. Fees to be assessed will be outlined in the advisory agreement to be signed by the client. Annualized fees are billed on a pro-rata



basis quarterly in advance based on the value of the account(s) on the last day of the previous quarter. Fees are negotiable and will be deducted from client account(s) or another account managed by WealthCare. As part of this process, Clients understand the following:

- a) Clients must provide our firm with written authorization permitting direct payment of advisory fees from their account(s) maintained by a custodian who is independent of our firm;
- b) The account custodian sends a statement to the client, at least quarterly, showing all account disbursements, including advisory fees.

Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty. Clients may terminate advisory services with thirty (30) days written notice. For accounts opened or closed mid-billing period, unearned fees will be refunded to the Client. Client shall be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

#### **Sub-Advisory Services:**

A maximum fee of 3.00% will be charged on the total assets under management that the third party unaffiliated investment adviser brings to WealthCare. Fees are negotiable and will be finalized in the Sub-advisory agreement with each adviser hiring WealthCare for Sub-Advisor services. WealthCare is compensated directly by the third party unaffiliated investment adviser with a portion of their investment management fee, as per the duly executed Sub-Advisory services agreement. Third party unaffiliated investment advisers who engage WealthCare as a Sub-advisor shall be responsible for collecting all fees and paying WealthCare their portion of the fee. The frequency of fees will depend on the billing cycle of the investment adviser hiring us. The billing frequency will be disclosed in each Sub-Advisory agreement.

#### **ERISA Plan Services**

The annual fees are based on the market value of the Included Assets and will not exceed 3.00%. The annual fee is negotiable and may be charged as a percentage of the Included Assets or as a flat fee. Fees may be charged quarterly or monthly in arrears or in advance based on the assets as calculated by the custodian or record keeper of the Included Assets (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets). If the services to be provided start any time other than the first day of a quarter or month, the fee will be prorated based on the number of days remaining in the quarter or month. If this Agreement is terminated prior to the end of the billing cycle, WealthCare shall be entitled to a prorated fee based on the number of days during the fee period services were provided or Client will be due a prorated refund of fees for days services were not provided in the billing cycle.

The fee schedule, which includes compensation of WealthCare for the services is described in detail in Schedule A of the ERISA Plan Agreement. The Plan is obligated to pay the fees, however the Plan Sponsor may elect to pay the fees. Client may elect to be billed directly or have fees deducted from Plan Assets. WealthCare does not reasonably expect to receive any additional compensation, directly or indirectly, for its services under this Agreement. If additional compensation is received, WealthCare will disclose this compensation, the services rendered, and the payer of compensation. WealthCare will offset the compensation against the fees agreed upon under the Agreement.

### **Other Types of Fees & Expenses**

Clients will incur transaction charges for trades executed by their chosen custodian. These transaction fees are separate from our firm's advisory fees and will be disclosed by the chosen custodian. Clients may also pay holdings charges imposed by the chosen custodian for certain investments, charges imposed directly by a mutual fund, index fund, or exchange traded fund, which shall be disclosed in the fund's prospectus (i.e., fund management fees, initial or deferred sales charges, mutual fund sales loads, 12b-1 fees, surrender charges, variable annuity fees, IRA and qualified retirement plan fees, and other fund expenses), mark-ups and mark-downs, spreads paid to market makers, fees for trades executed away from custodian, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. Our firm does not receive a portion of these fees.

### **Termination & Refunds**

Either party may terminate the advisory agreement signed with our firm for Asset Management service in writing at any time. Upon notice of termination our firm will process a pro-rata refund of the unearned portion of the advisory fees charged in advance at the beginning of the quarter. If services are terminated within five business days of engagement, no fee will be charged.

### **Commissionable Securities Sales**

Our firm and representatives do not sell securities for a commission in advisory accounts.

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

Our firm does not charge performance-based fees.

## **Item 7: Types of Clients & Account Requirements**

Our firm has the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Pension and Profit Sharing Plans;
- Corporations, Limited Liability Companies and/or Other Business Types

WealthCare requires a minimum investment amount of \$500,000 to establish accounts, although exceptions may be granted. All clients are required to execute an agreement for services in order to establish a client arrangement with WealthCare.

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

### **Methods of Analysis**

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We use the following methods of analysis in formulating our investment advice and/or managing client assets:

**Charting:** In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict when how long the trend may last and when that trend might reverse.

**Cyclical Analysis:** In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

**Fundamental Analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis:** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

WealthCare management believes that the core expertise of any registered investment adviser should be the pro-active management of risk and the protection of client capital. As such, we focus our money management services on technical analysis, risk mitigation, and a strong “sell-side” disciplined approach. WealthCare believes much of the industry has put this objective second to the “financial planning” process, and as such has produced a commoditized method of money management--the “buy and hold” pie chart, which WealthCare strongly rejects and considers to be a failed money management process.

### **Investment Strategies We Use**

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

**Long-Term Purchases:** When utilizing this strategy, we may purchase securities with the idea of holding them for a relatively long time (typically held for at least a year). A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell. Typically, we employ this

sub-strategy when we believe the securities to be undervalued; and/or we want exposure to a particular asset class over time, regardless of the current projection for this class. The potential risks associated with this investment strategy involve a lower than expected return, for many years in a row. Lower-than-expected returns that last for a long time and/or that are severe in nature would have the impact of dramatically lowering the ending value of your portfolio, and thus could significantly threaten your ability to meet financial goals.

**Short-Term Purchases:** When utilizing this strategy, we may also purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. The potential risk associated with this investment strategy is associated with the currency or exchange rate. Currency or exchange rate risk is a form of risk that arises from the change in price of one currency against another. The constant fluctuations in the foreign currency in which an investment is denominated vis-à-vis one's home currency may add risk to the value of a security. Currency risk is greater for shorter term investments, which do not have time to level off like longer term foreign investments.

**Trading:** We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings. Trading involves risk that may not be suitable for every investor, and may involve a high volume of trading activity. Each trade generates a commission and the total daily commission on such a high volume of trading can be considerable. Active trading accounts should be considered speculative in nature with the objective being to generate short-term profits. This activity may result in the loss of more than 100% of an investment.

### **Risk of Loss**

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Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and the account(s) could enjoy a gain, it is also possible that the stock market may decrease and the account(s) could suffer a loss. It is important that clients understand the risks associated with investing in the stock market, are appropriately diversified in investments, and ask any questions.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There following are certain additional risks associated when investing in securities through our investment management program:

**Company Risk:** When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

**Equity (Stock) Market Risk:** Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

**ETF & Mutual Fund Risk:** When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.

**Fixed Income Securities Risk:** Typically, the values of fixed-income securities change inversely with prevailing interest rates. Therefore, a fundamental risk of fixed-income securities is interest rate risk, which is the risk that their value will generally decline as prevailing interest rates rise, which may cause your account value to likewise decrease, and vice versa. How specific fixed income securities may react to changes in interest rates will depend on the specific characteristics of each security. Fixed-income securities are also subject to credit risk, prepayment risk, valuation risk, and liquidity risk. Credit risk is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of a bond to decline.

**Manager Risk:** There is always the possibility that poor security selection will cause your investments to underperform relative to benchmarks or other funds with a similar investment objective.

**Market Risk:** The value of your portfolio may decrease if the value of an individual company or multiple companies in the portfolio decreases or if our belief about a company's intrinsic worth is incorrect. Further, regardless of how well individual companies perform, the value of your portfolio could also decrease if there are deteriorating economic or market conditions. It is important to understand that the value of your investment may fall, sometimes sharply, in response to changes in the market, and you could lose money. Investment risks include price risk as may be observed by a drop in a security's price due to company specific events (e.g. earnings disappointment or downgrade in the rating of a bond) or general market risk (e.g. such as a "bear" market when stock values fall in general). For fixed-income securities, a period of rising interest rates could erode the value of a bond since bond values generally fall as bond yields go up. Past performance is not a guarantee of future returns.

**Options Trading:** The risks involved with trading options are that they are very time sensitive investments. An options contract is generally a few months. The buyer of an option could lose his or her entire investment even with a correct prediction about the direction and magnitude of a particular price change if the price change does not occur in the relevant time period (i.e., before the option expires). Additionally, options are less tangible than some other investments. An option is a "book-entry" only investment without a paper certificate of ownership.

**Equity Linked CD:** Penalties may apply to early withdrawals. Fair market value of CD's when sold in the secondary market may be worth more or less than face value. May or may not be FDIC insured. Returns are not based solely on market returns, as there may be a maximum rate of interest the CD will earn. May be taxed on income earned, but interest isn't accrued (received) until the CD matures. Many CDs may have "call" features, allowing the bank to close the contract early with no penalty, paying back principle and any accrued interest.

**Leveraged Risk:** The risks involved with using leverage include compounding of returns (this works both ways – positive and negative) and are not appropriate for inexperienced investors. Leveraged products are intended to be actively traded and are designed to achieve their stated objective within one day, clients can lose all of their investment potentially in one day and holding these securities for

periods longer than one day could lead to losses even if the underlying index moves in the anticipated direction. Regulatory agencies such as FIRNA and SEC have released alerts stating that inverse and leveraged products that reset daily typically are not suitable for retail investors who plan to hold them longer than one day. Some managers may hold these investments for significantly greater than one day.

**Mortgage-Backed Securites:** The risks involved with Mortgage-Backed Securities include prepayment risk; the risk that borrowers will make higher than expected monthly payments or pay their mortgage off early, and interest rate risk; the security can sometimes come with a higher interest rate risk since the price of the security can drop when interest rates rise.

### **Description of Material, Significant or Unusual Risks**

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Our firm generally invests client cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, our firm tries to achieve the highest return on client cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to our Asset Management service, as applicable.

## **Item 9: Disciplinary Information**

### **Criminal or Civil Actions**

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The Firm and its management have not been involved in any criminal or civil action requiring disclosure.

### **Administrative Enforcement Proceedings**

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Without admitting or denying the allegations, The Firm entered into an Order with the State of Missouri regarding a 2016 surprise on-sight inspection of the Firm during a time when Mr. Watts was out of the country on vacation. Clerical staff in the office did not have the authority to provide the inspectors with the information they wished to review, nor the ability to access information kept secure under lock and key available only to Mr. Watts as the Chief Compliance Officer. The Firm's Written Supervisory Procedures state that only Chief Compliance officer was authorized to access the records or communicate with regulators. Though absent and unaware the Commission was in his office, the Commission persisted with their allegation that Mr. Watts' absence impeded their inspection. The Firm agreed to pay \$5000 to the Investor Education Fund in order to settle the matter since that was less expensive than defending against the Commission's claim.

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

### **Broker-Dealer or Representative Registration**

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WealthCare is not registered as a broker-dealer and no affiliated representatives of WealthCare are registered representatives of a broker-dealer.

### **Futures or Commodity Registration**

Neither WealthCare nor its affiliated representatives are registered or have an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

### **Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

James Barry Watts is the owner of American Tax Strategies, a tax-strategy and insurance firm. American Tax Strategies offers insurance products and receives customary fees as a result of insurance sales. James Barry Watts is also the owner of WealthCare Corporation, Inc., that managed exit planning for business owners, and facilitates legacy planning for families. A potential conflict of interest exists as these insurance sales and exit and legacy planning create an incentive to recommend products and services based on the compensation an adviser and/or our supervised persons may earn. To mitigate this potential conflict, our firm will act in the client's best interest. Clients are not obligated to act upon these recommendations and if they choose to do so, may use any other professional of their choosing.

### **Recommendations or Selections of Other Investment Advisors and Conflicts of Interest**

We may also utilize the services of a Sub-Advisor to manage Clients' investment portfolios. Sub-Advisors will maintain the models or investment strategies agreed upon between us and the Sub-Advisor. Sub-Advisors execute all trades on behalf of our Client's accounts. We will be responsible for the overall direct relationship with the Client. We retain the authority to terminate the Sub-Advisor relationship at our discretion.

This practice represents a conflict of interest as we may select Sub-Advisors who charge a lower fee for their services than other Sub-Advisors. This conflict is mitigated by disclosures, procedures, and by the fact that we have a fiduciary duty to place the best interest of the Client first and will adhere to their code of ethics.

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

As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is the underlying principle for our firm's Code of Ethics, which includes procedures for personal securities transaction and insider trading. Our firm requires all representatives to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment with our firm, and at least annually thereafter, all representatives of our firm will acknowledge receipt, understanding and compliance with our firm's Code of Ethics. Our firm and representatives must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Our firm recognizes that the personal investment transactions of our representatives demands the application of a Code of Ethics with high standards and requires that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, our firm also believes that if investment goals are similar for clients and for our representatives, it is logical, and even desirable, that there be common ownership of some securities.

In order to prevent conflicts of interest, our firm has established procedures for transactions effected by our representatives for their personal accounts<sup>1</sup>. In order to monitor compliance with our personal trading policy, our firm has pre-clearance requirements and a quarterly securities transaction reporting system for all of our representatives.

Neither our firm nor a related person recommends, buys or sells for client accounts, securities in which our firm or a related person has a material financial interest without prior disclosure to the client.

Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

Likewise, related persons of our firm buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day unless included in a block trade.

## Item 12: Brokerage Practices

### Selecting a Brokerage Firm

Our firm does not maintain physical custody of client assets. Client assets must be maintained by a qualified custodian. Our firm seeks to recommend a custodian who will hold client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. The factors considered, among others, are these:

- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Research services provided
- Ability to provide investment ideas
- Execution facilitation services provided
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Financial condition
- Business reputation
- Quality of services

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<sup>1</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.



### **Custodian & Brokers Used**

Our firm does not maintain custody of client assets (although our firm may be deemed to have custody of client assets if give the authority to withdraw assets from client accounts (see *Item 15 Custody*, below). Client assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. Our firm generally recommends that clients use Charles Schwab & Co., Inc. (“Schwab”), FINRA-registered broker-dealers, member SIPC, and SEI as the qualified custodians. Our firm is independently owned and operated, and not affiliated with Schwab or SEI. Schwab and SEI will hold client assets in a brokerage account and buy and sell securities when instructed. While our firm recommends that clients use Schwab or SEI as custodians/brokers, clients will decide whether to do so and open an account with Schwab or SEI by entering into an account agreement directly with them. Our firm does not open the account. Even though the account is maintained at Schwab or SEI our firm can still use other brokers to execute trades, as described in the next paragraph. we act as a sub-advisor for other investment advisors, the custodian will be determined by the other investment advisor.

### **How Brokers/Custodians Are Selected**

Our firm seeks to recommend a custodian/broker who will hold client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. A wide range of factors are considered, including, but not limited to:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear and settle trades (buy and sell securities for client accounts)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, mutual funds, exchange traded funds (ETFs), etc.)
- availability of investment research and tools that assist in making investment decisions quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength and stability of the provider
- prior service to our firm and our other clients
- availability of other products and services that benefit our firm, as discussed below (see *“Products & Services Available from Schwab”*)

### **Custody & Brokerage Costs**

Schwab generally does not charge a separate fee for custody services, but is compensated by charging commissions or other fees to clients on trades that are executed or that settle into the Schwab account. In addition to commissions Schwab charges a flat dollar amount as a “prime broker” or “trade away” fee for each trade that our firm has executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into a Schwab account. These fees are in addition to the commissions or other compensation paid to the executing broker-dealer. Because of this, in order to minimize client trading costs, our firm has Schwab execute most trades for the accounts.

### **Products & Services Available from Schwab**

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab’s business serving independent investment advisory firms like our firm. They provide our firm and clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are

not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help manage or administer our client accounts while others help manage and grow our business. Schwab's support services are generally available on an unsolicited basis (our firm does not have to request them) and at no charge as long as our firm keeps a total of at least \$10 million of client assets in accounts at Schwab. If our firm has less than \$10 million in client assets at Schwab, our firm may be charged quarterly service fees. Here is a more detailed description of Schwab's support services:

### **Services that Benefit Clients**

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which our firm might not otherwise have access or that would require a significantly higher minimum initial investment by firm clients. Schwab's services described in this paragraph generally benefit clients and their accounts.

### **Services that May Not Directly Benefit Clients**

Schwab also makes available other products and services that benefit our firm but may not directly benefit clients or their accounts. These products and services assist in managing and administering our client accounts. They include investment research, both Schwab's and that of third parties. This research may be used to service all or some substantial number of client accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provides access to client account data (such as duplicate trade confirmations and account statements);
- facilitates trade execution and allocate aggregated trade orders for multiple client accounts;
- provides pricing and other market data;
- facilitates payment of our fees from our clients' accounts; and
- assists with back-office functions, recordkeeping and client reporting.

### **Services that Generally Benefit Only Our Firm**

Schwab also offers other services intended to help manage and further develop our business enterprise. These services include:

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

Schwab may provide some of these services itself. In other cases, Schwab will arrange for third-party vendors to provide the services to our firm. Schwab may also discount or waive fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide our firm with other benefits, such as occasional business entertainment for our personnel.

Irrespective of direct or indirect benefits to our client through Schwab, our firm strives to enhance the client experience, help clients reach their goals and put client interests before that of our firm or associated persons.

Schwab does not make client brokerage commissions generated by client transactions available for our firm's use. The aforementioned research and brokerage services are used by our firm to manage

accounts for which our firm has investment discretion. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

As part of our fiduciary duty to our clients, our firm will endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by our firm or our related persons creates a potential conflict of interest and may indirectly influence our firm's choice of Schwab as a custodial recommendation. Our firm examined this potential conflict of interest when our firm chose to recommend Schwab and have determined that the recommendation is in the best interest of our firm's clients and satisfies our fiduciary obligations, including our duty to seek best execution.

Our clients may pay a transaction fee or commission to Schwab that is higher than another qualified broker dealer might charge to effect the same transaction where our firm determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services provided to the client as a whole.

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Although our firm will seek competitive rates, to the benefit of all clients, our firm may not necessarily obtain the lowest possible commission rates for specific client account transactions.

### **Soft Dollars**

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The Securities and Exchange Commission defines soft dollar practices as arrangement under which products or services other than execution services are obtained by our firm from or through a broker-dealer in exchange for directing Client transactions to the broker-dealer. Although we have no formal soft dollar arrangements, we may receive products, research and/or other services from custodians or broker-dealers connected to client transactions or "soft dollar benefits". As permitted by Section 28(e) of the Securities Exchange Act of 1934, we receive economic benefits as a result of commissions generated from securities transactions by the custodian or broker-dealer from the accounts of our firm. We cannot ensure that a particular client will benefit from soft dollars or the client's transactions paid for the soft dollar benefits. We do not seek to proportionately allocate benefits to client accounts to any soft dollar benefits generated by the accounts.

A conflict of interest exists when we receive soft dollars which could result in higher commissions charged to Clients. This conflict is mitigated by the fact that we have a fiduciary responsibility to act in the best interest of its Clients and the services received are beneficial to all Clients.

### **Client Brokerage Commissions**

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Schwab does not make client brokerage commissions generated by client transactions available for our firm's use.

### **Client Transactions in Return for Soft Dollars**

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Our firm does not direct client transactions to a particular broker-dealer in return for soft dollar benefits.

### **Brokerage for Client Referrals**

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Our firm does not receive brokerage for client referrals.

### **Directed Brokerage**

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Neither our firm nor any of our firm's representatives have discretionary authority in making the determination of the brokers-dealers and/or custodians with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected. Our firm routinely recommends that clients direct us to execute through a specified broker-dealer. Our firm recommends the use of Schwab. Each client will be required to establish their account(s) with Schwab if not already done. Please note that not all advisers have this requirement.

### **Special Considerations for ERISA Clients**

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, our firm will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

### **Client-Directed Brokerage**

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Our firm does not allow client-directed brokerage outside our recommendations.

### **Aggregation of Purchase or Sale**

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Our firm provides investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when our firm believes that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, our firm attempts to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

## **Item 13: Review of Accounts or Financial Plans**

Our management personnel, Chief Compliance Officer Barry Watts, or financial advisors review accounts on at least an annual basis for our Asset Management and Asset clients. The nature of these reviews is to learn whether client accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Our firm does not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when our Asset Management clients are contacted.

Our firm may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

## Item 14: Client Referrals & Other Compensation

We receive additional economic benefits from external sources as described above in item 12

### **Referral Fees**

WealthCare from time to time, will enter into agreements with individuals and organizations (“solicitors”) that refer Clients to WealthCare in exchange for compensation. For all Clients introduced by a solicitor, WealthCare will pay that solicitor a fee pursuant to a previously executed agreement. While the specific terms of each agreement may differ, generally, the compensation will be based upon WealthCare’s engagement of new Clients and is calculated using a fixed fee, or a varying percentage of the fees paid to WealthCare by such Clients. Any such fee shall be paid solely from WealthCare’s investment management fee and shall not result in any additional charge to the Client. WealthCare ensures that solicitors are registered with all appropriate jurisdictions or exempt from registration as investment advisers or investment adviser representatives.

Each referred Client to WealthCare under such an arrangement will receive a copy of this brochure and a separate written disclosure document disclosing the nature of the relationship between the solicitor and WealthCare and the amount of compensation that will be paid by WealthCare to the solicitor. The solicitor is required to obtain the Client’s signature acknowledging receipt of WealthCare’s disclosure brochure and the solicitor’s written disclosure statement.

## Item 15: Custody

All assets are held at qualified custodians, which means the custodians provide account statements directly to Clients at their address of record at least quarterly. Clients are urged to carefully compare the account statements received directly from their custodians to any documentation or reports prepared by us.

We are deemed to have limited custody solely because advisory fees are directly deducted from Client’s accounts by the custodian on our behalf.

Our firm is also deemed to have custody due to its Third-Party Standing Letters of Authorization (“SLOA”).

Our firm and its qualified custodian meet the following seven (7) conditions in order to avoid maintaining full custody and be subject to the surprise exam requirement:

1. The Client provides an instruction to the qualified custodian, in writing, that includes the Client’s signature, the third party’s name, and either the third party’s address or the third party’s account number at a custodian to which the transfer should be directed.
2. The Client authorizes us, in writing, either on the qualified custodian’s form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
3. The Client’s qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the Client’s authorization and provides a transfer of funds notice to the Client promptly after each transfer.

4. The Client has the ability to terminate or change the instruction to the Client's qualified custodian.
5. We have no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the Client's instruction.
6. We maintain records showing that the third party is not a related party nor located at the same address as us.
7. The Client's qualified custodian send the Client, in writing, an initial notice confirming the instructions and an annual notice reconfirming the instructions.

### **Item 16: Investment Discretion**

WealthCare requires discretion to manage client accounts pursuant to an executed investment advisory client agreement. By granting investment discretion, our firm is authorized to execute securities transactions, determine which securities are bought and sold, and the total amount to be bought and sold. However, it is the policy of WealthCare to consult with the client prior to making significant changes in the account even when discretionary trading authority is granted by the client, when such changes go beyond investment selection and reallocation or market timing.

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

Our firm does not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, our firm will forward them to the appropriate client and ask the party who sent them to mail them directly to the client in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

### **Item 18: Financial Information**

Our firm is not required to provide financial information in this Brochure because:

- Our firm does not require the prepayment of more than \$1200 in fees when services cannot be rendered within 6 months.
- Our firm does not take physical custody of client funds or securities.
- Our firm does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

Our firm has never been the subject of a bankruptcy proceeding.

**Item 1: Cover Page  
Part 2B of Form ADV: Brochure Supplement**

**J. Barry Watts**

**WealthCare Asset Management, LLC  
2847 S. Ingram Mill Road, Suite B102  
Springfield, MO 65804  
417-865-0936**

**Firm Contact:  
Barry Watts  
Chief Compliance Officer**

**April 24, 2025**

This brochure supplement provides information about Barry Watts that supplements our brochure. You should have received a copy of that brochure. Please contact Barry Watts if you did not receive WealthCare Asset Management, LLC's brochure or if you have any questions about the contents of this supplement. Additional information about Barry Watts is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD # 2482375.

## Item 2: Educational Background & Business Experience

**James Barry Watts**

**Year of Birth:** 1963

### **Educational Background:**

- 2010: Campbellsville University; Masters of Theology
- 1988: Midwestern Baptist Theological Seminary; Masters of Divinity in Theology
- 1985: University of Missouri; Bachelor of Science in Agricultural Economics

### **Business Background:**

- 01/2022 – Present WealthCare Corporation; Owner
- 11/2016 – Present American Tax Strategies, LLC; Insurance Agent
- 01/2014 – Present WealthCare Asset Management, LLC (formerly WealthCare, LLC); Owner & Investment Adviser Representative
- 09/2010 – Present Property Partners, LLC; Managing Member
- 01/2006 – Present Ingram Mill Investments, LLC; Owner
- 08/2005 – Present Insurance – Non Variable; Independent Contractor
- 01/2002 – Present Wattswood Farms; Owner
- 03/2017 – 05/2017 Regal Investment Advisors LLC; Investment Adviser Representative
- 06/2008 – 01/2015 Professional Entity Management; Owner
- 06/2005 – 01/2015 Springfield Property Management; Managing Member
- 01/2012 – 06/2014 James River Holdings Corporation; Chief Executive Officer
- 11/2004 – 08/2012 Punta Cana Properties; Owner

### **Exams, Licenses & Other Professional Designations:**

- 05/1994: Series 63 & 7 exams (Inactive)
- 04/1997: Series 24 Exam (Inactive)
- 01/2007: Series 28 Exam (Inactive)
- 07/2014: Series 65 Exam
- 02/1995: MO Life, Accident & Health, and Variable Insurance Licenses
- 10/2018: IRS Enrolled Agent

## Item 3: Disciplinary Information<sup>2</sup>

In 2016 an individual who had never been a client of WealthCare and was not a client of representative Watts filed a lawsuit against representative Watts. At issue was an investment in real estate in which the individual and representative Watts were invested. At the time of the investment

<sup>2</sup> Note: Our firm may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, we are not required to disclose it. When we review a legal or disciplinary event involving the advisor to determine whether it is appropriate to rebut the presumption of materiality, we consider all of the following factors: (1) the proximity of advisor to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If we conclude that the materiality presumption has been overcome, we prepare and maintain a file memorandum of our determination in our records. We follow SEC rule 204-2(a)(14)(iii) and similar state rules.



the individual signed documents saying in all capitalized bold letters that the transaction was high risk and the investor could lose their entire investment. Under oath the individual testified that he thought that disclosure was "just in theory" so he ignored it. He also signed a document agreeing that he was not represented by representative Watts and that his interests and those of representative Watts were not aligned. Approximately six years after signing these agreements a portion of the property in which they were mutually invested caught fire and burned. As a result the commercial insurance brokers refused to insure the property. This lack of insurance resulted in a technical violation of the mortgage covenants on the property and resulted in the bank taking control of the real estate and liquidating it to a third party. As a result the individual and representative Watts lost their investment. When questioned under oath the individual testified that he had never been a client of WealthCare and was not a client of Mr. Watts, but that his attorney had told him that representative Watts likely had an insurance policy from which they could collect some money so the attorney encouraged him to file suit against representative Watts. No such insurance policy existed. Thus, because it was less costly to pay to settle than it would have been to pay ongoing legal fees to defend himself, representative Watts agreed to pay \$4,615 in exchange for dismissal of the lawsuit.

#### Item 4: Other Business Activities

Barry Watts is a licensed insurance agent/broker of American Tax Strategies. He may offer insurance products and receive fees as a result of insurance sales. James Barry Watts is also the owner of WealthCare Corporation, Inc., that managed exit planning for business owners, and facilitates legacy planning for families. A conflict of interest may arise as these insurance sales and exit and legacy planning may create an incentive to recommend products based on the compensation earned. To mitigate this potential conflict, Barry Watts will act in the client's best interest. Clients are not obligated to act upon these recommendations and if they choose to do so, may use any other professional of their choosing.

#### Item 5: Additional Compensation

Barry Watts does not receive any other economic benefit for providing advisory services other than what is disclosed in Item 5 of Part 2A.

#### Item 6: Supervision

Barry Watts is the sole principal and Chief Compliance Officer and as such has no internal supervision placed over him. He is, however, bound by our firm's Code of Ethics. He can be reached at 417-865-0936 or [PriorityCare@WealthCareCorp.com](mailto:PriorityCare@WealthCareCorp.com)